JUNIOR TRAINING FOR MODERN BUSINESS

KIRK AND WAESCHE

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The banking room of a modern commercial bank.

JUNIOR TRAINING FOR MODERN BUSINESS

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PREFACE

In a democracy where the ability to earn a living is essential to good citizenship, the schools should give instruction in pre-employment subjects as part of their training for citizenship. The most popular of these pre-employment courses prepare for clerical positions in offices and stores, or for commercial occupations as they are commonly called. The senior commercial courses in shorthand, advanced bookkeeping, salesmanship, and commercial law, however, are poorly adapted to continuation school pupils, junior high school pupils, first year pupils in the senior high school, or the junior pupils in the private school of business or the evening high school. Harm comes by giving these boys and girls in the early adolescent period business training courses which are designed for senior high school grades.

Progressive teachers, supervisors, principals, and superintendents have long felt the genuine need of a junior training course in business which will meet the needs of pupils in the eighth and ninth school years. Such a business training course should have three main objectives for the pupils:

1. To acquire an understanding of investments, insurance, banking, business forms and records, reference books, filing devices, the use of the telephone and of the telegraph, safe methods of sending money and packages, the use of travel information, the elements of business law, the kinds of business enterprises, the types of business organization, and those other fundamental principles of business practice and procedure that are part of the equipment of every efficient member of society regardless of his vocation.

2. To develop knowledge, skill, and the proper attitude needed for satisfactory service as messengers, mail clerks, file clerks, cashiers, receiving clerks, stock clerks, order clerks, billing clerks, shipping clerks, time clerks, pay-roll clerks, entry

clerks, and those other junior occupations which are found in practically all business offices and stores and which are open to those who must leave school and enter business before completing a more advanced course in business training.

3. To serve as a try-out or exploratory course for purposes of vocational and educational guidance within the field of commerce to the end that the pupil may gain such an intimate knowledge of the functions and duties of junior clerical positions, the personal and educational qualifications which are required, the business forms which are used, and the opportunities for advancement which are offered, that he may choose the particular kind of advanced business training in the senior high school or the private school of business which will best fit him for the department of business in which he has the best chance of success.

To enable pupils to reach these three objectives JUNIOR TRAINING FOR MODERN BUSINESS and the BUDGET OF BUSINESS FORMS to accompany the text have been prepared.

JOHN G. KIRK
MARY A. WAESCHE

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INTRODUCTION

JUNIOR TRAINING FOR MODERN BUSINESS, PART I, INFORMATIONAL, approaches the field of training for business through the study of thrift in the broader aspects of efficient earning, wise spending, systematic saving, and secure investing. Savings and investments, insurance, and banking are then studied as the means available to promote thrift and to develop thrifty habits. The ten chapters which follow give information about the use of simple business forms, how to keep personal records systematically, how to find information from reference books, how to file letters and other personal papers, how to use the telephone, telegraph, cable, and wireless services, how to send money and packages safely and by the quickest or the cheapest route, how to acquire a knowledge of the facilities provided by railroads for the convenience of travelers, and impart those principles of business law which all good citizens should know.

The chapters on *Business Enterprises* and *Business Organization* are rich in vocational guidance. The pupil is introduced to the five main classes of industrial and commercial enterprises and is encouraged to suggest local industries which illustrate each class. The interdependence of business enterprises is discussed, the nature of the service which each renders, the opportunities for employment and investment which each offers, and the necessity for a broad general education and specialized training to fit oneself for a worth-while position in industry. The discussion of the three types of business organization common among all industries gives the pupil a correct idea regarding the complexity of modern business organization, the many kinds of services that employees are called upon to render, and the wide range of employment opportunities within the field of commerce.

JUNIOR TRAINING FOR MODERN BUSINESS, PART I, INFORMATIONAL, may be studied profitably by eighth or ninth year

pupils in general, home-economic, or mechanic-arts courses as well as by pupils in the commercial course.

JUNIOR TRAINING FOR MODERN BUSINESS, PART II, VOCATIONAL, approaches the problem of specific training for certain well defined junior occupations through a discussion of those personal qualities which must be acquired by every person if he is to achieve success in business. Practical suggestions on how to prepare for and to secure employment are then offered. The eleven chapters which remain are more vocational in character than is PART I. Here the opportunities, qualifications, duties, and experiences in the field of junior employment are explained. Each chapter is a vocational unit. Each unit may be studied in the order in which it is given in the text or any particular unit may be omitted without affecting the teaching qualities of the book. The employment opportunities in any community and the needs of the pupil group will largely determine which unit will receive greatest emphasis and which will be omitted. In continuation schools and in evening schools where the personnel is constantly changing, this organization into vocational units is distinctly helpful.

JUNIOR TRAINING FOR MODERN BUSINESS, PART II, VOCATIONAL, will be taken by those pupils in the second half of the eighth or the ninth school year who are planning to enter business in the capacity of junior office assistants, or who are planning to elect advanced commercial courses in the senior high school or in the private school of business.

Each chapter of JUNIOR TRAINING FOR MODERN BUSINESS contains descriptive material with respect to its topic, *Questions* which summarize the text discussion and test the pupil's knowledge of what he has studied, *Topics for Discussion* which stimulate original thought and investigation, and *Problems* which, in most instances, involve the use of standard business forms. After the class has mastered the text, the *Questions* should be answered, the *Topics* should be discussed or assigned to individual pupils for original investigation and report, and the *Problems* should be solved.

Business forms described and illustrated in the text are reproduced in blank in the BUDGET OF BUSINESS FORMS TO ACCOMPANY JUNIOR TRAINING FOR MODERN BUSINESS. After the pupil has mastered the text references to each form and understands the reason for each entry on it, he should use the budget form in the solution of the problem to which it refers. He thereby gains knowledge and skill in the handling of standard business forms, in the use of rapid legible business penmanship, in English, and in the fundamentals of arithmetic and rapid calculation. A thorough mastery of the standard business forms which accompany JUNIOR TRAINING FOR MODERN BUSINESS will materially lessen the amount of paper work which was required formerly in the first year of the bookkeeping course.

Particular attention is directed to the two hundred illustrations of standard business forms, photographs of business activities, statistical tables, and charts which are reproduced in the text. These have been numbered so as to permit of ready cross reference. The pupil's attention is focused on the illustrations by means of thought-provoking questions in the body of the text as well as by captions which are thoroughly descriptive. Too much emphasis cannot be placed upon the value of this illustrative material as a teaching medium of equal importance with the text.

Instruction in the fundamentals of business arithmetic and of rapid calculation should be a part of the training provided for students of business. In JUNIOR TRAINING FOR MODERN BUSINESS a part of this instruction is related and incidental to the solution of many of the problems which are found at the close of each chapter. Business arithmetic is thereby motivated. In addition, however, formal drills in the fundamental processes, in simple fractions, in decimals, in aliquot parts, in percentage, in discount, and in simple interest should be given for ten minutes of each period which is devoted to junior training for business. Such formal drills are provided in *Appendix A—Fundamentals of Business Arithmetic.*

Students of business should be familiar with the common abbreviations used in business and should acquire a comprehensive vocabulary of business terms. *Appendix B—Abbreviations, Contractions, and Arbitrary Signs Used in Business*—and *Appendix C—A Vocabulary of Business Terms*—have been prepared to enable this instruction to be given readily. The abbreviations and the business terms should not only be studied incidentally to the text discussions, but also should be used for formal drills in spelling, pronunciation, meaning, and the proper use of each term or abbreviation. When the pupil has permanently incorporated each business term into his vocabulary, and can write each abbreviation correctly, the aim for which *Appendix B* and *Appendix C* was prepared will have been achieved.

To supplement the chapter on *Business Law, Appendix D—Law Forms*—has been prepared. This gives the student some idea of the conditions and terms involved in a simple contract, articles of copartnership, a bill of sale, a warranty deed, and a real estate mortgage.

PART I. INFORMATIONAL

Chapter I

THRIFT

1. Value of thrift. The surest way to be successful in life is to be thrifty. In a study of *Junior Training for Modern Business*, therefore, it is wise to learn what thrift is, why it is essential, and how it may be attained.

2. Definitions of thrift. Many good definitions of thrift have been given: "Thrift means the elimination of waste in time, opportunity, energy, thought, and actions." "Thrift includes the utilization of common sense in the use of earnings, the use of time, and the cultivation of temperate habits." "Thrift signifies the wise adaptation of one's income to getting the very best out of life, and in addition making careful provisions for illness and against the coming on of age." "Thrift is care and prudence in the management of one's affairs." A Pennsylvania schoolgirl wrote, "Thrift is management of your affairs in such a manner that the value of your possessions is constantly increasing." In a word, "Thrift is good management in the business of living." Thrift is something more than saving; it is efficient earning, wise spending, systematic saving, and secure investing.

3. Efficient earning. You have read of the goose which laid the golden egg and of Aladdin and his wonderful lamp. The owner of the goose and Aladdin worked very little for food, clothing, shelter, and other needful things. And people are inclined, at times, to envy Aladdin, even though they smile at the foolish fellow who slew his goose for its golden egg. Yet nearly every person has a genie at his beck and

call. The genie's name is *Work*, and the gifts that it brings are called *earnings*.

A boy or a girl will never really succeed until he or she learns how to work and to earn. Working and earning are best learned by doing the common chores of home and school: running errands, tending the furnace, feeding the chickens, mowing the lawn, weeding the garden and flower beds, minding the younger children, washing the dishes, doing needlework, preparing assigned lessons. Spare time after school, on Saturdays, or during a portion of the summer vacation may be turned to good account on the farm, in the store or industrial establishment, or about the home. One girl by assisting in the care of a home earned nearly enough money for a college education. A boy by working in a grocery store on Saturdays earned enough money to buy a violin and to take up the study of music. Another boy was able to finish his high-school course by selling magazines and newspapers.

4. Wise spending. Many believe that thrift denotes stinginess—but it does not. Thrift is not niggardliness or stint in the necessities and the sane enjoyment of life. It has nothing in common with the miserly acquisition of money for its own sake. Mr. John D. Rockefeller wisely advises, "If there are nice things you want to buy, and they are necessary, buy them; but do not squander your money."

On the other hand, thrift has nothing in common with extravagance or waste. The American people, whether they deserve it or not, have the reputation of being the most extravagant and wasteful on earth. As a group they spend nearly three billion dollars yearly on nonessentials: tobacco, candy, chewing gum, soft drinks, jewelry, patent medicines, tea, and coffee. As individuals many buy what they cannot afford to own; what they do not need because it may be had at a bargain; what is of inferior quality and must soon be replaced because it is cheap. Mr. Charles Schwab advises all persons to get their money's worth. "Everyone achieves successful accomplishment who spends his income to advantage, who gets the most possible for his money."

Estimates 19—	$3.50	$2.75	$.75	$.35	$.30	$.35	$.60	$.25	$.15	$.50	$.25	
May 6-12	Allowance or Earnings	Total Spent	Saving Bank	Giving Church or Charity	Spending School	Car Fare	Lunch	Amusements	Candy	Clothing	Misc.	
Days												
Monday		.22				.07	.10				.05	
Tuesday		.34			.10	.14	.10					
Wednesday		.40			.20		.15				.05	
Thursday		.17				.07	.10					
Friday		.40		.15			.15				.10	
Saturday	3.50	1.02	.75			.07		.30	.10	.50	.05	
Sunday		.20		.20								
Total	3.50	2.75	.75	.35	.30	.35	.60	.30	.10	.50	.25	
Total income for the week				3.50	Total spent during the week						2.75	
On hand the first of the week				1.90	On hand or in bank to start new week						2.65	
				5.40							5.40	

Fig. 1. A page from a budget which was kept by a thrifty schoolboy.

The following questions are suggested as helpful in learning to spend wisely: Do I need the article? Can I afford to buy it? Is the dealer trustworthy? Is the quality good? Is the article appropriate? Is the price reasonable? Can I pay for it now? If I buy the article must I deprive myself of something I need and desire more? Can I afford to do without it?

5. Personal budget. The best way to learn how to spend wisely is to make a personal budget. A budget is simply a plan for the wise use of one's income. If a girl is going to make a dress, she must first cut out or buy a pattern, determine the kind, quantity, and quality of the material needed, and estimate the cost. If a boy wishes to build a radio set, he must plan it carefully and then estimate the cost. If one receives an allowance of one dollar a week or earns two dollars a week, wise spending dictates that a budget be made.

Figure 1 shows a budget record used by a schoolboy who earned fifty cents each school day and one dollar on Saturday mornings for working in a grocery store. What were his

Fig. 2. Wilkins Micawber's advice to David Copperfield. Express this advice in terms of American money.

total weekly earnings? How much did he estimate that he would need for each class of expenditures? What did he actually spend? What fraction of his income did he save? Did this boy spend wisely? Why do you think so? Could your class, after discussing this budget, suggest an improvement upon the boy's plan?

Efficiently managed homes, stores, factories, churches,

schools, hospitals, and state, county, and municipal governments live on a budget basis, for it is the only true business basis. Only recently our Government at Washington organized a budget bureau to estimate national income and to apportion expenditures. By so doing government officials know for what the money will be spent during the period for which the budget is made.

6. **Systematic saving.** This implies the saving of time and materials as well as money.

7. **Saving time.** "If time be of all things the most precious, wasting time must be the greatest prodigality," wrote Benjamin Franklin. Thrift applied to time means that each day's activities are so planned that not only work but also play and leisure each has its appointed place. The test of the wise use of one's time is not the number of minutes given to an activity, but the results that are obtained from the use of those minutes. People marvel at the enormous amounts of work accomplished by our leading men of affairs. Yet the explanation is simple. These men spend their time as carefully as they spend their incomes.

8. **Saving materials.** We live in a land of plenty. All about are evidences of nature's bounty: healthful, invigorating climate, fertile soil, forests, and minerals. In the midst of plenty the careful saving of materials has not been so imperative as in countries like Japan or even France. As our population increases, however, our boys and girls must learn to make use of scraps of left-over food, to turn off the light when no longer in use, to conserve the water supply, to use both sides of a sheet of school paper, to protect the lead in the pencil from needless breakage. These and other small economies in the use of materials will save billions of dollars for our nation.

9. **Saving money.** In Dickens' *David Copperfield*, Wilkins Micawber advises David as follows: "My other piece of advice, Copperfield, you know. Annual income twenty pounds, annual expenditure nineteen nineteen six, result happiness. Annual income twenty pounds, annual expenditure twenty

pounds ought and six, result misery." Unfortunately, loyal, generous, kindly Wilkins Micawber profited so little by his own advice that today a *micawber* is a person who spends every penny as fast as it is made (or borrowed), who hasn't a dollar in the bank, a share in a building and loan association, or a policy of life insurance. A *micawber* is a person who hasn't saved a cent.

The most natural thing in the world is to see something one wants and to buy it. Spending is so easy! But the habit of saving must be learned just as must history, geography, or any other lesson. James J. Hill said: "If you want to know whether you are going to be a success or a failure in life, you

Monthly Savings	1 Year	2 Years	3 Years	5 Years	8 Years	10 Years
$1	$12.24	$24.98	$38.24	$66.39	$113.04	$147.35
2	24.48	49.96	74.48	132.77	226.09	294.70
3	36.73	74.94	114.71	199.16	339.13	442.05
4	48.97	99.93	152.95	265.55	452.18	589.39
5	61.21	124.91	191.19	331.94	565.22	736.74
10	122.42	249.81	382.38	663.87	1,130.45	1,473.48

Fig. 3. How monthly savings grow at 4 per cent interest compounded semi-annually.

can easily find out. The test is simple and infallible. Are you able to save money? If not, drop out. You will lose. You may not think it, but you will lose as sure as you live. The seed of success is not in you."

In learning to save money, four principles must be kept in mind: Begin while you are young; be satisfied at first with small sums; save with regularity; live by a budget. The first dollar out of an allowance or pay envelope is always the easiest dollar to spend. It is also the easiest dollar to save, and the person who cannot save that dollar, cannot save any dollar. Marshall Field realized that five or ten cents saved a day, if invested securely, will in a few years amount to hundreds of dollars. And W. H. Kniffin, Jr. was of the opinion that the man who lives within his means and regularly and systematically lays aside part of his earnings, and puts this

surplus where it will work for him as unceasingly and as faithfully as he worked once for it, has acquired a habit of no small import in the building of his character and the carving of his future.

10. Secure investing. The United States Postal Savings System was organized primarily to draw out the huge sums of money hoarded in old stockings, in a trunk in the attic, in a hole in the cellar floor, or in penny and dime savings banks by foolish people who feared to trust their savings to our splendid system of banks. And it succeeded. Money thus hoarded is of little use to the possessor and of no use to the community. Observe, on the other hand, the remarkable results of systematic savings invested at 4 per cent interest compounded semiannually. (Figs. 3 and 4.)

Daily Savings	5 Years	10 Years	15 Years
$0.05	$100.90	$223.68	$372.94
.10	201.80	447.36	745.88
.25	504.50	1,118.40	1,864.70
.50	1,009.00	2,236.80	3,729.40
.75	1,513.50	3,355.20	5,594.10
1.00	2,018.00	4,473.60	7,458.80

Fig. 4. How daily savings grow at 4 per cent interest compounded semiannually.

Benjamin Franklin urged people to remember that money is of a prolific, generating nature. Money can beget money, and its offspring can beget more. Five shillings turned is six, turned again, it is seven and three pence, and so on until it becomes a hundred pounds. The more there is of it the more it produces at every turning, so that the profits rise quicker and quicker. "Compound interest is the foundation upon which the majority of fortunes are built. It works silently but incessantly—Sundays, weekdays, and holidays. It works while you sleep and while you play."

11. Methods of saving and investing. Institutions of many kinds exist to help one to invest his savings: the Post Office Department with its postal savings stamps, certificates, and bonds, school banks, building and loan associations, life insurance companies, and our efficient banks with their commercial, trust, and savings departments. As the study of *Junior Training for Modern Business* is continued, each of these institutions will be discussed.

12. Why thrift is essential. He who earns efficiently, spends wisely, saves systematically, and invests securely does something besides get ahead on his own account. He sets other people to building railroads, erecting bridges, constructing schools, hospitals, and homes, farming, mining, lumbering, manufacturing, and sailing the seas with the commerce of the world. One person can do little, but the accumulated savings of many, if safely invested, enable all to enjoy not only the necessities, but many of the comforts and luxuries of life.

13. Thrift day and thrift week. Sir Walter Scott is said to have had in his kitchen a motto—"Waste not, want not." To turn the thoughts of every individual to the elimination of waste, February 3 is being observed as *Thrift Day* in many places; and in others the week beginning with Franklin's birthday, as *Thrift Week*. One city observes Seven Great Days of Thrift Week: Thrift Day, Budget Day, Pay Bills Day, Share with Others Day, Life Insurance Day, Own Your Own Home Day, and Make a Will Day. A ten-point success creed is featured:

1. Work and earn.
2. Make a budget.
3. Record expenditures.
4. Have a bank account.
5. Carry life insurance.
6. Own your own home.
7. Make a will.
8. Invest in safe securities.
9. Pay bills promptly.
10. Share with others.

14. How thrift is attained. Habits of thrift are easily acquired provided one follows three simple rules: *Read* the biographies of great men and women, especially their autobiographies. Few, if any, have achieved marked success who were not living examples of thrift. *Observe* small economies in the lives of those about you. *Practice* the thrift suggestions in this book as prudently as the squirrel lays by a store of nuts for winter.

There is a flower that grows on barren mountains and seacoasts. It struggles along with all odds against it and finally produces a beautiful pink bloom. Some people call it *Sea Pink*, but the usual name is *Thrift*.

QUESTIONS

1. Select the definition of thrift that is most helpful to you for a placard for your study or bedroom. 2. Tell the story of the goose

which laid the golden egg; of Aladdin. Was the owner of the goose thrifty? 3. Name some good-pay jobs that a boy or a girl might do after the school session each day or during the summer vacation. 4. Find in your dictionary the meanings of *miserly, niggardly, stingy, extravagance, waste.* Have these anything in common with thrift? 5 What is a budget? Why should people, corporations, or institutions budget their incomes? 6. Name the three elements of systematic saving. Which one is most important? 7. Explain Micawber's advice to Copperfield in the language of a present-day American boy or girl. Was it good advice? Why? 8. Name the four principles of learning to save money. Which one is most important? 9. Name five secure methods of investing small sums of money. 10. How does the thrifty man help others as well as himself?

TOPICS FOR DISCUSSION AND INVESTIGATION

1. Have a member of your class read the story of The Whistle from Franklin's *Autobiography.* Was the boy, Franklin, thrifty? 2. Is the boy or girl thrifty who gives of his or her earnings or allowance to help another less fortunate? 3. Are the following thrifty: the man who spends to repair his house; the county which builds good roads; the town which provides good schools? 4. Why is the man who hoards his money in a trunk in the attic a poor citizen? 5. Explain the following statement: If our forefathers had not saved, we should still be crossing the continent in a prairie schooner. 6. Debate cash buying versus buying on the instalment plan.

PROBLEMS

1. Make a schedule of your time for the past week. How many hours were devoted to sleep, food, exercise, play, and work? How might this schedule be improved? 2. Count the pupils in your class. Suppose that each wasted one sheet of paper a day. How many would that be in a school year of 200 days? How many for the 24,000,000 pupils in the schools of the United States? If 10 sheets of paper may be had for a cent, what will this waste cost the tax payer? 3. Plan a budget of your present allowance or earnings using a form similar to Figure 1. Carefully record your expenditures for one week and then see whether they conform to the budget. 4. A Government publication suggests that a thrifty man or woman will spend 50% of his income for living expenses, 10% for education, 10% for giving, 10% for recreation, and 20% for savings. On this basis plan a budget for a young business man or business woman earning $75 a month. Determine this person's savings at the end of five years, omitting interest. The savings were, however, deposited the first of each month in a savings bank paying 4% interest on monthly balances compounded annually. Your teacher with the help of interest tables can give you the total of compound interest to add to your savings total.

Chapter II

SAVINGS AND INVESTMENTS

15. Hoarding not investing. "What shall I do with the money that I have saved?" is a question which must be answered by every person who has saved a portion of his income. If he hoards it, he will have his principal after a number of years, but not a penny more. If he invests it wisely, he will have the interest, in addition to his principal, and also the satisfaction of having performed a service to his community by furnishing a part of the capital which is needed to carry on the business of industry and of government.

16. Qualities of an investment. A good investment has the qualities of *safety, yield,* and *salability.*

17. Safety. The element of risk is present in most of the activities of everyday life. The grocer who buys a barrel of sugar hazards a price decline before he will have sold it. He is, however, reasonably certain that his purchase will be profitable. But he who buys a piece of jewelry from an itinerant street vendor will probably not secure an article commensurate in value with the price paid. So it is with investments. Some are safe; others contain a large element of risk. Savings banks, government, public utility, or industrial bonds, and mortgages yield a low rate of interest but are reasonably safe. But oil, mining, or other stocks, which are advertised as "certain to pay big dividends," cannot be considered with safety by the inexperienced investor.

18. Yield. Safety and low interest returns usually go hand in hand; a high rate of interest is usually accompanied by great risk. The Government of the United States, which is certain to pay, need not offer as high interest on its bonds as does a borrower who perhaps may not be able to pay the interest regularly or the principal at maturity.

19. Salability. The money that is invested today may be needed a month hence. If it is deposited in a savings bank, it may be had by giving notice of intention to withdraw; if in bonds or stocks which are regularly traded on the stock exchanges, these may be sold quickly through an investment broker. But if the money is used to buy a house, the owner may have to sacrifice a portion of his capital if he wishes to obtain a buyer quickly. The salability of any security must therefore be considered.

20. Postal Savings System. The United States Post Office offers a safe form of investment in postal savings stamps, certificates, and bonds. The stamps cost ten cents each. Ten stamps affixed to a postal savings card may be redeemed in cash or they may be exchanged for a Certificate which bears interest at the rate of 2 per cent a year. These certificates are redeemable on demand or are exchangeable for a postal savings bond which yields 2½ per cent interest a year. The bonds are transferable and are exempt from taxes.

Fig. 5. The school-bank tellers receive deposits from their classmates.

21. School banks. To encourage pupils to save their nickels and dimes, many schools have organized school banks. These banks do not all operate in the same way. In one large school banking system, the board of directors, president, secretary, treasurer, and auditor are members of the faculty, and are appointed by the principal. Each section in the school has a student teller who is elected by its members. One morning each week the pupils in each section make deposits of sums of five cents or more with their teller. He records each amount on a card and turns over the cards and money to the secretary, who,

after verifying the totals, gives the day's receipts to the treasurer for deposit in a commercial bank. When a student's savings have amounted to $1, he is encouraged to withdraw that sum and to open an account in an approved savings bank. This school bank, therefore, is really not a bank at all, but merely an agency for receiving money for deposit in some financial institution.

22. Building and loan associations. One of the best mediums through which a person with a small income may invest his savings is a building and loan association. Three or four people decide that a building and loan association is needed in their community. They secure a charter from the state government. All who purchase one or more shares of stock become members of the association. The members elect a board of directors who choose the officers of the association, and determine its policy. The stock is paid for in monthly instalments, called *dues*, usually at the rate of $1 a share.

Fig. 6. The tellers deliver the deposits to the secretary of the school bank.

The association lends the money received from dues to its members for certain investments, usually real estate. The interest on these loans gains other interest until the $1 paid monthly for each share together with the accumulated earnings thereon totals $200. The share is then said to mature and it is paid in cash to the member, or it may be used to cancel his loan.

James Grant desires to build a house to cost $10,000. He has $4,000 in cash. In order to borrow the balance, he buys 30 shares of stock in his neighborhood building and loan

association. At the next meeting night he requests a loan of $6,000. It is granted on condition that he give the society a mortgage on his property for a like sum and interest at the rate of 6 per cent a year, payable monthly. How much must James Grant pay each month? What will happen to his loan when the shares mature? But suppose that James Grant's association has more applications for loans than can be satisfied with the funds on hand. Then James Grant must bid for his money against the other applicants and pay a premium in addition to his dues and interest charges.

To the small investor building and loan associations offer many advantages: The investment is reasonably safe; the yield is usually higher than the yield from a savings bank or from government bonds; the stock may be easily exchanged for cash; the habit of regularity in saving is fostered; the man of small means may borrow money to buy a home.

Per Share Paid	Profit Per Share	Book Value Per Share	Withdrawal Value Per Share
$132	$68.00	$200.00	$200.00
120	57.00	177.00	144.00
108	46.17	154.17	127.44
96	36.48	132.48	111.36
84	27.93	111.93	95.76
72	20.52	92.52	80.64
60	14.25	74.25	65.85
48	9.12	57.12	50.88
36	5.13	41.13	37.50
24	2.28	26.28	24.40
12	.57	12.57	12.00

Courtesy Herman Green

Fig. 7. How savings grow when used to purchase building and loan association stock of a series maturing in eleven years.

23. Real estate mortgages. A mortgage is a pledge of property for the payment of a debt. It gives the holder the right to have the property sold in case the borrower fails to pay the interest or to repay the loan when due. A mortgage is a reasonably safe form of investment because it is issued, usually, for considerably less than the value of the property. The yield is ordinarily at the legal rate of the state in which it is issued. But as mortgages are written for a definite number of years, they are not quickly convertible into cash.

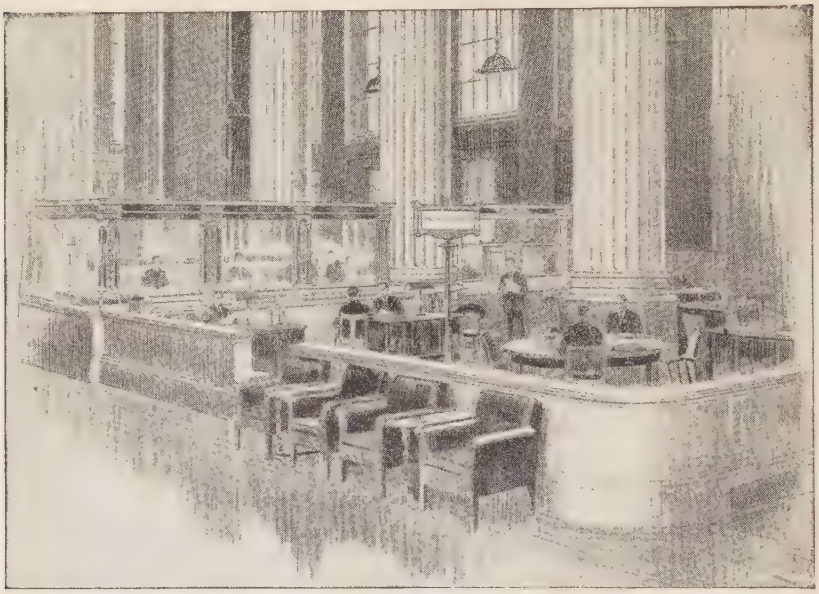


Fig. 8. Bank officers rigidly investigate the soundness of a security before they recommend it. Their advice should be sought before making an investment.

24. Bonds. Institutions, industrial establishments, and governments must borrow money. For this purpose they usually issue written promises (bonds) to pay a definite sum of money with interest at some future date. Bonds are secured by the credit of the government, or in the case of corporations or institutions, by a mortgage on the property. They yield a fair rate of interest payable as stated in the bond, and usually they are negotiable.

25. Stocks. The dictionary defines *stocks* as "the shares of capital in a company or a corporation." They are issued by industrial establishments as a means of securing capital. When a purchaser buys stock, he really buys a part ownership in the corporation that issues the stock. If the business is well managed and produces a good article for which there is a steady demand, the return from the stock may be

high. If, however, there is a depression in business, or if the supply of goods exceeds the demand, the income from the stock may be small, or there may be no income at all.

The value of stocks fluctuates much more than that of bonds. Stocks are often objects of speculation, whereas bonds vary little in their market value. Generally speaking, bonds are a safer investment for the investor with a limited capital than are stocks.

QUESTIONS

1. Why is the man or the woman who invests his or her savings wisely a good citizen? Why is the miser a poor citizen? 2. Name the three qualities of a good investment. Which do you consider the most important quality? Why? 3. Would you rather invest your money in postal savings or in a building and loan association? Explain. 4. Compare the organization and operation of your school bank with the bank described in Section 21. 5. What service does a building and loan association render to its community? 6. Discuss the differences between stocks and bonds. Which would you prefer to own? Why?

TOPICS FOR DISCUSSION AND INVESTIGATION

1. Distinguish between a first and a second mortgage. 2. What is meant by *par value? market value?* 3. Why do business houses encourage their employees to buy stock in the business? 4. Debate the following question: Resolved that the building and loan association is the best medium through which a young man or woman may accumulate money to start in business. 5. Distinguish between an investor and a speculator. 6. Benjamin Franklin said. "An investment in knowledge always pays the best interest." Explain this statement. 7. What are public utility bonds? industrial bonds? municipal bonds? 8. Distinguish between common and preferred stock.

PROBLEMS

1. If a young man purchases a share of stock for $100 that yields 1¼% quarterly, how much will he receive during the year? How much from a $500 bond which yields 3% semiannually? 2. Which is a better investment, Baltimore and Ohio 4% bonds, at 81½, or Great Northern Railway 5½% bonds at 96? 3. Suppose that you had $2000. How would you invest it, taking into account safety, yield, and salability?

Chapter III

INSURANCE

26. Meaning of insurance. Harry Wilson is one of a group of 100 persons each of whom owns a house worth $5000. They assume that one of those houses will burn down this year, but which one they cannot foretell. To meet this possible emergency they may do either of two things: Wait until the fire occurs and allow the owner whose house is destroyed to bear the burden; or contribute $50 each to a common fund payable to the one sustaining the loss. Harry Wilson and his companions choose the second plan, and for a relatively small sum, protect themselves against a ruinous loss. This is one form of insurance.

The pupils in your class may agree to pay a penny a week to a fund for lost books. This is insurance against loss or theft. The employees with whom your father is associated may contribute a portion of their earnings each month to a fund out of which sick benefits are paid. This is health insurance.

More generally, however, instead of individuals grouping their savings for common security, business organizations, known as *insurance companies*, assume the risks and distribute the costs among their many patrons. The company is called the *insurer;* the patron, the *insured;* the agreement or contract between the insurer and insured, the *policy;* and the sum paid the company for assuming the risk, the *premium*. Statistics carefully kept over a long period of years for nearly all classes of risks enable such companies to predict with a fair degree of accuracy the proportion of loss which will occur each year. They base their premium rates on these statistics, plus a sum sufficient to cover the expenses of conducting the business, to return a fair profit, and to accumulate a surplus against

an unusual demand, such as the San Francisco fire or the epidemic of influenza.

27. Kinds of insurance. Life, health, accident, fire, and marine insurance are the oldest and perhaps the most common. Other forms are rapidly growing in favor, such as, automobile, plate glass, boiler, title, credit, fidelity, burglary, parcel post, war risk, employers' liability, tornado, and rain. A well-known moving picture actor is said to have his feet insured, another his eyes, a prima donna, her voice, and a baseball pitcher, his arm. In fact where there is risk, there can usually be found an insurance company to assume that risk.

Fig. 9. The life-insurance family in the United States numbers more than forty million members.

28. Life insurance. Normal people desire to live to a ripe old age, but mortality tables (Fig. 10) show that there are many who do not so live. Thrift dictates that every adult shall invest a portion of his savings in life insurance for his support in old age, or for his dependents in case of the death of the insured before the policy becomes due. In addition, life insurance offers a secure investment at a fair rate of interest.

29. Mortality tables. Figure 10 shows a portion of the American Experience Mortality Table. Of the 100,000 boys and girls at the age of ten, how many will probably die during their tenth year? How much longer may the survivors expect to live? How many of the original 100,000 persons will probably be living at the age of 60? It is on such tables that premium rates for life insurance policies are based. Since the expectation of life decreases as one grows older, the premium rate increases.

Age	No. Living	No. Dying	Expectation of Life	Age	No. Living	No. Dying	Expectation of Life
10	100,000	749	48.72	55	64,563	1,199	17.40
15	96,285	735	45.50	60	57,917	1,546	14.10
20	92,637	723	42.20	65	49,341	1,980	11.10
25	89,032	718	38.81	70	38,569	2,391	8.48
30	85,441	720	35.33	75	26,237	2,476	6.27
35	81,822	732	31.78	80	14,474	2,091	4.39
40	78,106	765	28.18	85	5,485	1,292	2.77
45	74,173	828	24.54	90	847	385	1.42
50	69,804	962	20.91	95	3	3	.50

Fig. 10. Statistics taken from the American Experience Table of Mortality.

30. When, where, and how to become insured. The best age at which to become insured is from 18 to 21 years, or at least as soon as one is established in a permanent position. The choice of an insurance company should be limited to one of the well established life insurance companies. One company is about as cheap and as safe as another. All base their rates primarily on the same mortality tables, and all are closely supervised by insurance experts in the employ of state governments.

A young man or woman is solicited by an insurance agent to take a policy of insurance. They discuss the policy best suited to the applicant's needs, the amounts to be taken, the method of payment of the premiums, and the beneficiary, that is the person to whom the insurance is to be paid at the death of the insured. An application, containing questions relating to the life histories of the person to be insured and of his immedi-

ate family, is filled in and signed. In a day or two the insurance company's physician makes a physical examination of the applicant. If his report is favorable, the young man or woman is accepted, and the policy, which becomes operative on the payment of the first premium, is issued to him.

31. Plans of life insurance. There are many different plans of life insurance. The *ordinary life*, the *limited payment life*, and the *endowment* are, however, the most popular.

32. Ordinary life policy. Under this plan the insured pays

Age	Ordinary Life	Limited Payment		Endowments		
		10 Premiums	20 Premiums	10 Years	20 Years	30 Years
18	$17 29	$44 35	$27 02	$101 17	$47 86	$30 70
20	18 01	45 63	27 82	101 58	48 00	30 89
25	20 14	49 24	30 12	102 73	48 46	31 51
30	22 85	53 52	32 87	103 25	49 12	32 49
35	26 35	58 58	36 22	103 95	50 11	34 03
40	30 94	64 59	40 38	105 00	51 70	36 56
45	37 08	71 81	45 73	106 68	54 41	40 72
50	45 45	80 66	52 87	109 57	58 96	47 37

Fig. 11. Yearly premium rates on three popular kinds of life-insurance policies.

the premiums at stated intervals for life. At his death the insurance company turns over the amount, called the *face* of the policy, to the beneficiary. The ordinary life policy is selected by those persons who desire to buy the maximum protection for their families with the smallest possible premium.

33. Limited payment life. This plan is similar to the ordinary life policy except that the insured pays the premiums for not more than a certain number of years, usually 15, 20, 25, or 30. Should he die before his payments are completed, the remaining premiums are canceled, and the policy immediately becomes due and payable. The premium is higher than for the ordinary life policy. Why?

34. Endowment. Under this plan the insured pays the premiums for a stated number of years. Should he die within that time, the policy immediately becomes due and payable

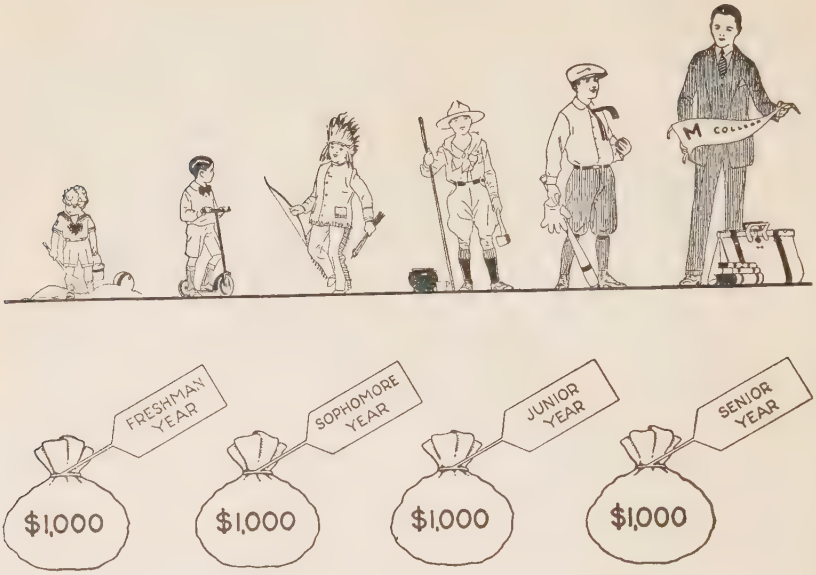


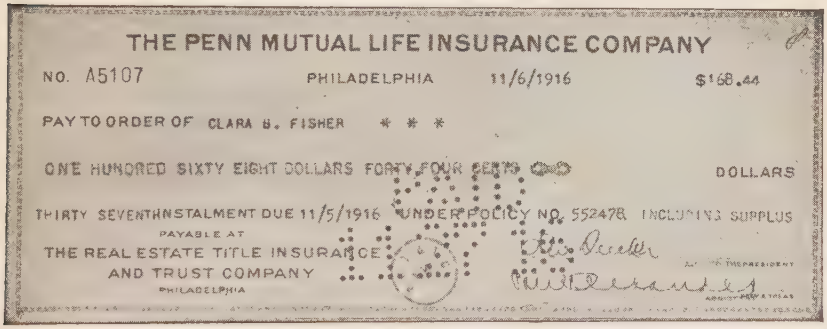
Fig. 12. Educational fund insurance policies may be bought on easy terms by a parent to provide funds for a college or vocational training for his boy or girl.

to his beneficiary. But should he still be living at the end of that period, the money is paid to him. Since endowment insurance is a combination of protection and investment the premiums are higher than the ordinary life or the limited payment life policies. (Fig. 11.)

35. Features common to all policies. Most insurance companies divide a portion of the surplus with their policy holders in the form of dividends, leaving a proper amount in the surplus fund. Dividends may be had in cash, may be left at interest with the company or may be used to reduce the premium or to buy additional insurance. Should the insured be unable or unwilling to continue the payment of his premiums, his policy has a cash-surrender value which will be paid on demand. Or if he does not desire money, the company will consider his policy as "paid up," and on the due date turn over to him or to his beneficiary a sum proportionate

to the premiums paid. Finally, the policy holder may borrow from the company on the security of his policy.

36. Health and accident insurance. When one is sick or is injured, his expenses increase. Fortunately insurance may be had for a comparatively small yearly premium to cover these emergencies. A young man, whose health is insured, contracts pneumonia. The insurance company, lodge, or society pays him $10 a week for the period of his illness, not to exceed twenty weeks, and assumes his hospital bill and physician's fee. A young woman is so seriously injured by an


THE PENN MUTUAL LIFE INSURANCE COMPANY

NO. A5107 PHILADELPHIA 11/6/1916 $168.44

PAY TO ORDER OF CLARA B. FISHER * * *

ONE HUNDRED SIXTY EIGHT DOLLARS FORTY FOUR CENTS DOLLARS

THIRTY SEVENTH INSTALMENT DUE 11/5/1916 UNDER POLICY NO. 552478 INCLUDING SURPLUS

PAYABLE AT
THE REAL ESTATE TITLE INSURANCE
AND TRUST COMPANY
PHILADELPHIA

Fig. 13. Under the terms of the insurance policy the beneficiary received a check, similar to the one shown in this picture, each month for life.

automobile that her hand must be amputated. The insurance company pays her the sum stated in her policy for the loss of a hand. These are merely typical of health and accident insurance policies. The terms in many cases can be adapted to the individual's needs.

37. Fire insurance. How did Harry Wilson and his companions protect themselves from loss by fire? (Sec. 26.) Were they wise? This form of insurance may be had on real property—houses, barns, and other buildings—or personal property—furniture, clothing, automobile, books, or pictures—by the owner of the property or the one who holds the mortgage. It includes loss or damage by fire, by the water used to extinguish the fire, or by the destruction of buildings to prevent its

spread. The premium is comparatively small and varies in amount with the kind of building, its location, the efficiency of the local fire department, and for other reasons. In one of our large eastern cities an ordinary brick dwelling worth $10,000 may be insured for its full value for about $8.50 a year. In the event of fire, the company will reimburse the owner of that dwelling for the actual amount of his loss but *no more.* That is, if his inclosed porch, worth $700, is destroyed by fire, he will receive $700.

38. Eighty per cent co-insurance clause. Some fire insurance companies require an owner to keep his property insured to 80 per cent of its value. If he does, and has a fire loss of $1000, they pay the entire sum. If, however, he protects the property to but 40 per cent of its value and has a similar loss, they pay but $500. That is, the company pays the same proportion of the loss as the insurance carried bears to 80 per cent of the value of the property. This is the *80 per cent co-insurance clause.* It is wise to read any fire insurance policy to see if such a clause is a part of the agreement.

39. Marine insurance. This kind of insurance is bought by ship owners to protect their vessels and cargoes against the risks of navigation either for an agreed period of time or for a voyage. The co-insurance clause is a common feature of such policies.

QUESTIONS

1. Write a good definition of insurance. Compare it with that given in your dictionary. 2. Give the meaning of the following terms: *insurer, insured, policy, premium, mortality tables.* 3. Tell some kinds of insurance you may have heard about that are not listed in Section 27. 4. Give three good reasons for investing in life insurance. 5. Which form of life insurance appeals most strongly to you? Why? 6. Point out a weakness in the *ordinary life plan.* 7. Make a list of all the factors that you can think of which might influence the premium rate for fire insurance in your locality. Which of these factors might be eliminated or improved so as to decrease the rate? 8. If your father were about to purchase an automobile, what two kinds of insurance would you advise him to buy? 9. Take an inventory of your schoolroom for use in case of fire. 10. Why are fire

insurance rates lower than life insurance rates? 11. Distinguish between health insurance and accident insurance.

TOPICS FOR DISCUSSION AND INVESTIGATION

1. Make a special investigation and report on one of the kinds of insurance listed in Section 27. 2. Find the premium rate for $1000 of fire insurance on an ordinary dwelling house in the locality in which you live. Compare with the rate given in Section 37. Account for the difference. 3. Discuss the advantages and disadvantages of the different kinds of life insurance: For a young man starting out in life; for a young married man; for a young woman with a dependent mother. 4. Make a report on the insurance features connected with membership in beneficiary societies or lodges in the home community.

PROBLEMS

1. Mr. Brown insured his house worth $4,000 for $5,000. His house was destroyed by fire. How much can Mr. Brown collect? 2. Mr. Wraught purchased a house from Mr. Mansley, valued at $8,000, for $6,000. Does the insurance held by Mr. Mansley protect Mr. Wraught? Should Mr. Wraught take out new insurance on his house? Can Mr. Mansley transfer his insurance to Mr. Wraught? Explain. 3. Mr. Wilson, in filling in his application for a life insurance policy, gave his age as 26 when he was 31. How much will the insurance company pay his estate in case of death? Suppose that he failed to state that tuberculosis was the cause of his father's death. Afterwards he died of consumption. How much will the insurance company pay his estate? 4. A young man at the age of twenty takes out a $5,000 twenty-year endowment policy. Using Figure 11, how much will he have paid when the policy matures? 5. What is the premium paid for insuring a house for $4,300 for three years at 1½%? 6. A merchant had his stock of goods, valued at $50,000, insured at ¾ of its value, at $1.60 a hundred. What premium did he pay? 7. Mr. Adams had his automobile, valued at $1,200, insured against theft for 80% of its value, at 7¼%. What premium did he pay? 8. Mr. Thomas at the age of 30 insured his life in favor of his wife for $10,000, agreeing to pay an annual premium of $20.50 for each $1000. He died at the age of 50. How much had he paid in premiums during the 20 years? How much did his wife get from the insurance company? 9. A vessel and cargo, valued at $100,000, is insured for $50,000. A collision at sea results in damage amounting to $25,000. How much does the insurance company pay? 10. Fill in neatly the application for insurance found in your budget of business forms.

Chapter IV

BANKS AND TRUST COMPANIES

40. Organization of a bank. Banks get started in much the same way as building and loan associations. (Sec. 22.) A few influential people decide that their community needs a bank. They talk about it among their friends and acquaintances, and interest a group in the purchase of stock, called *capital stock*, of the proposed institution. This group constitutes an organization committee. It may accept the services of an experienced bank organizer called *promoter*, or it may itself handle the sale of the stock, and the application for a *charter* (the right to conduct the bank) from the state or national government. When the stock, or a certain portion of it, is sold and the charter is secured, the stockholders meet and elect a board of directors, who choose officers such as the president, the vice-president, and the cashier; determine upon and furnish a suitable bank building; and engage the services of other employees. The bank is then ready to receive customers.

41. Kinds of banks. There are several kinds of banks. National banks are under the supervision of the Federal Government; state banks and trust companies are under the supervision of the state governments. For our study, however, banks are grouped as *commercial banks*, *savings banks*, and *trust companies*. There may be all three of these types in a community, or there may be but one bank with commercial, savings, and trust departments. Finally, there is the *Federal Reserve System* of banks which performs much the same services for its member banks, that they, in turn, do for their customers.

42. Commercial banks. These banks receive funds from their customers for safe-keeping; pay out money on the

depositor's written order, or *check;* lend sums on the security of stocks, bonds, mortgages, life insurance policies, building association receipt books, or the written promises to pay of reliable people; collect on checks and other business papers left with them for that purpose, and enter the sums to the credit of the proper persons; buy, or as it is termed, *discount* notes or other business papers for their depositors; advise customers how to make secure investments; provide a place for the safe-keeping of valuables.

43. How to open a bank account. The introduction. Banks have found that it is unwise to open an account with a person whose character and integrity are unknown. They, therefore, require that new depositors give satisfactory references or be introduced by some one known to the bank.

Second National Bank
Washington, D. C.

Signature of *William Jones*
Business *Plumber*
Address *310 Filbert Street*
Introduced by *Herman Green*
Date *October 1, 19—*

Fig. 14. The signature card which was filled in by William Jones.

44. The signature card. Banks pay out money only on the written order of a customer. A copy of his signature, that is, the way he *writes* his name, must, therefore, be filed with the bank. Signature cards are provided for this purpose. (Fig. 14.) As checks, when presented for payment, are compared with the specimen signature, a depositor must always sign his checks in the same way that he signed the signature card. Many persons write their names in an unreadable scrawl in order to prevent forgery of their signatures. This is unnecessary. A carefully written signature not only aids the bank in identifying checks, but at the same time makes forgery difficult.

DEPOSITED IN THE
SECOND NATIONAL BANK
WASHINGTON, D. C.
BY William Jones
October 1, 19—

PLEASE LIST EACH CHECK SEPARATELY

GOLD	20	00
SILVER	16	50
LARGE NOTES	85	00
SMALL NOTES (1's AND 2's)	10	00
CHECKS (IF PAYABLE IN CITY, NAME BANK; IF OUT OF TOWN, NAME PLACE)		
Republic Trust Co	111	72
Los Angeles, Calif.	14	38
James Reid	5	00
TOTAL	262	60

SEE THAT ALL CHECKS AND DRAFTS ARE INDORSED

Fig. 15. A deposit ticket. How are the checks entered? Compare with Figure 16.

DEPOSITED IN THE
SECOND NATIONAL BANK
WASHINGTON, D. C.
BY William Jones
October 1, 19—

PLEASE LIST EACH CHECK SEPARATELY

GOLD	20	00
SILVER	16	50
LARGE NOTES	85	00
SMALL NOTES (1's AND 2's)	10	00
CHECKS (IF PAYABLE IN CITY, NAME BANK; IF OUT OF TOWN, NAME PLACE)		
15–118	111	72
16–12	14	38
15–2	5	00
TOTAL	262	60

SEE THAT ALL CHECKS AND DRAFTS ARE INDORSED

Fig. 16. A deposit ticket showing each check entered by the index number of its bank.

45. The deposit ticket. William Jones has decided to open an account at the Second National Bank. He has been introduced, accepted by the bank, and has filled in a signature card. (Fig. 14.) He now wishes to make a deposit. For this purpose the banks furnish blank forms (Fig. 15), which, though not uniform in arrangement, provide for the name of the depositor, the date, and the listing of the separate items that make up the deposit.

46. Making the deposit. Study Figure 15. William Jones has arranged his money in five piles (name them) and has entered each sum in its proper place on the deposit ticket. How much gold has he? silver? large notes? small notes? how many checks? for what amounts? What is meant by *large notes? small notes?* In which column did he place dollars? cents? Did he use the dollar sign? Did he total his deposits accurately?

Now look more closely at the checks. How are they entered on Figure 15? on Figure 16? There are four methods of listing checks on a deposit ticket: If the check is drawn on the home bank, the name of the drawer is entered; if on a local bank, the name of the bank is entered; if on an out-of-town bank, the name of the town in which the bank is located; or, the numbers of the banks which issued the checks are given. These numbers are assigned by the American Bankers Association. Where do they appear on the check? (Fig. 21.)

Look at Figure 17. What did William Jones write on the back of the check? Where did he write it? This writ-

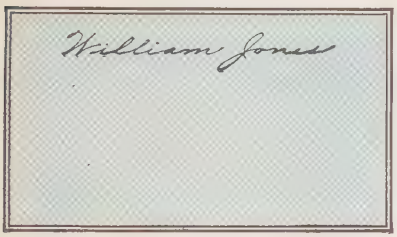


Fig. 17. An indorsement in blank.

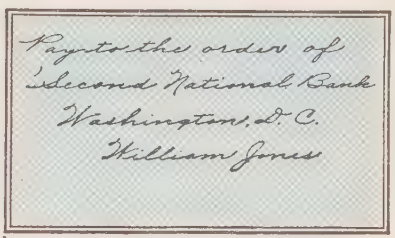


Fig. 18. An indorsement in full.

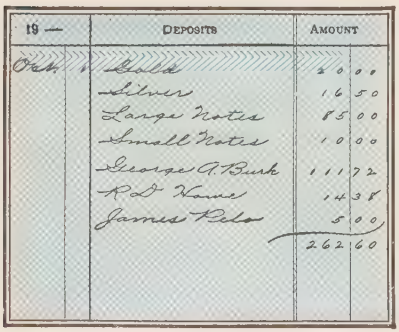
ing is called an *indorsement* and is explained in Section 47. William Jones now gives the deposit ticket with his cash to the receiving officer, called *receiving teller*, of the bank and receives a pass book. (Sec. 49.)

47. Check indorsement. Checks must be indorsed in order to transfer ownership. The payee, that is the person to whom the money is payable, may merely write his name on the back of the check parallel to the shorter edge at the left end, and near to the top. This is an *indorsement in blank* (Fig. 17) and permits the holder of the check to cash it. An indorsement in blank is not to be used if there is risk of loss. Or the payee may write an *indorsement in full* (Fig. 18) which indicates to whom the ownership of the check was transferred. The indorsement in full is preferred to the indorsement in blank.

Sometimes the payee's name is misspelled or incorrectly

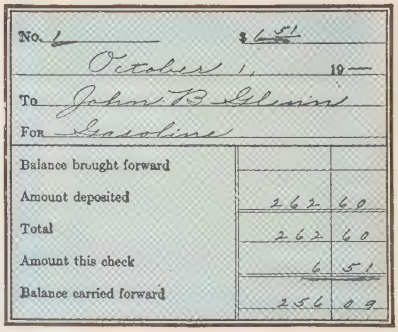
written on the face of a check. When this occurs, he must indorse the check exactly as it was drawn, and add beneath his correct signature.

48. When to deposit checks. The payee (Sec. 47) or the indorsee of a check should present it for deposit or for payment the day he receives it or the succeeding business day. If he holds it beyond what the courts might consider a reasonable length of time; and if in the meantime the bank on which the check was drawn suspended business, the holder of the check cannot require the drawer (Sec. 52) to make good



19—	Deposits	Amount
Oct. 1	Gold	20 00
	Silver	16 50
	Large Notes	85 00
	Small Notes	10 00
	George A. Burk	111 72
	R. D. Kane	14 38
	James Polo	5 00
		262 60

Fig. 19. William Jones keeps a record of his bank deposits on the back of his check stubs.



No. 1 $6 51

October 1, 19—

To John B. Gilmore

For Gasoline

Balance brought forward		
Amount deposited	262	60
Total	262	60
Amount this check	6	51
Balance carried forward	256	09

Fig. 20. William Jones filled in this stub before he wrote the check shown in Figure 21.

any loss sustained; provided, of course, that the drawer of the check had funds on deposit in his bank to pay the check.

49. The bank pass book. At the time of making his first deposit, William Jones received a bank pass book in which was recorded the total amount left with the bank. This is his receipt book and is to be presented each time a deposit is made. Entries in the pass book are always recorded by the receiving teller. If the depositor fails to bring his book, safety dictates that he make out two copies of the deposit ticket, and have the receiving teller stamp one *Duplicate* and return it to him for his receipt. When the pass book is again taken to the bank this deposit will be recorded from the duplicate.

50. The check book. Banks also furnish each customer with a book of blank checks for use in drawing out money. Check books are printed with one or more checks to the page. They are provided with a stub or interleaf to record information concerning deposits made and checks drawn.

51. Keeping the check book stub record. The stub or interleaf should be filled in before the check is written. This prevents many errors. It should be numbered and should show the date, amount, name of the person or company to whom the check is to be issued, and the purpose for which it is to be drawn. The stub of William Jones's check is shown

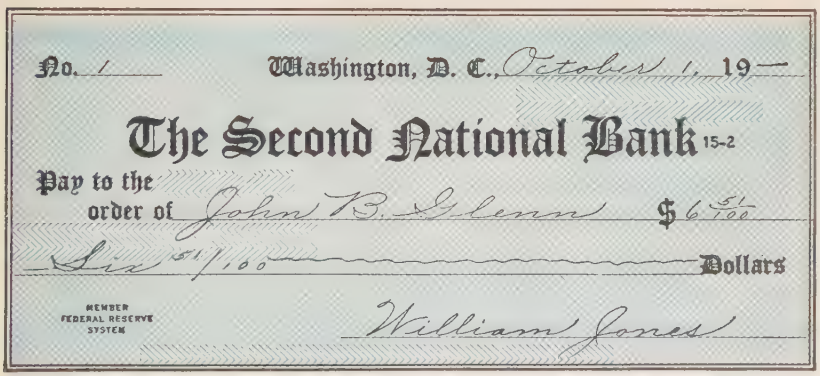

No. 1
Washington, D. C., October 1, 19—
The Second National Bank 15-2
Pay to the order of John B. Glenn $6 51/100
Six 51/100 Dollars
MEMBER FEDERAL RESERVE SYSTEM
William Jones

Fig. 21. A personal check which has been properly filled in.

in Figure 20. What will the number of the check be? the amount? date? to whom will it be payable? for what? How much did William Jones have in the bank before the deposit was made? afterwards? when the check was cashed?

52. Drawing the check. Now the check shown in Figure 21 is written. This check is an order on the Second National Bank by William Jones, the *drawer*, to pay $6.51 to John B. Glenn, the *payee*. As checks are considered as money, there is an ever-present temptation to *forge* or *raise* them. William Jones, however, observes certain rules which have been found to make these dishonest practices difficult: He uses pen and ink, never pencil. He numbers the checks consecutively as

issued. He completely covers all blank spaces with words, figures, or wave-like lines. (Fig. 21.) He writes the name of the payee in a clear, legible hand. He enters the amount in figures close to the dollar sign, the cents smaller than the dollars. He translates this amount into words, beginning at the extreme left and filling the line as in Figure 21. He signs his name exactly as on the signature card. (Fig. 14.) He uses checks which are printed on *safety paper*. He destroys a check on which he has made an error—he never erases. He notifies the bank of issue when one of his checks is lost or

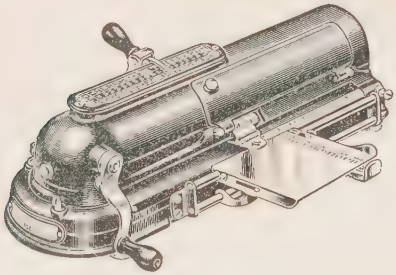


Fig. 22. Two methods of check protection: a protectograph which shreds the amount in indelible ink into the fibre of the paper; a safety paper with a complicated dot design; this, when removed, causes the word "Void" to flash upon the face of the check.

stolen. He guards his check book and canceled checks as carefully as his money. He never signs a blank check. And he never cashes a check for a stranger.

53. Advantages of a checking account. William Jones finds his checking account distinctly advantageous. His money is safer in a bank than in his pocket. He spends less and saves more by not having it "lying around." His bank pays him 2 per cent interest on his balances. His canceled checks serve as receipts for money paid, and in case of dispute are accepted as evidence. His stubs or interleaves furnish a record of all items of income and expenditure. His business standing among his fellows is recognized because he systematically pays by check. He performs a service to his community by increasing the sums at the bank available for loans.

54. The bank statement. Formerly the pass book was left with the bank at regular intervals to be balanced. The bookkeeper verified and totaled the deposits, subtracted the amount of all checks paid, and entered the balance standing to the depositor's credit. Then the pass book and the bundle of canceled checks were returned to the customer. Today, however, most banks send periodically to each customer a bank statement (Fig. 23), together with his canceled checks.

SECOND NATIONAL BANK
WASHINGTON, D. C.

In account with William Jones,
310 Filbert St.,
Washington, D. C.

DATE	CHECKS	DATE	DEPOSITS	DATE	BALANCE
	BALANCE FORWARD			Oct. 1, 19—	
OCT 1	6.51	OCT 1	262.60	OCT 1	256.09
OCT 2	25.00	OCT 2		OCT 2	231.09
OCT 3	34.50	OCT 3	100.00	OCT 3	296.59
OCT 4	98.72	OCT 4		OCT 4	197.87
OCT 5	10.00	OCT 5		OCT 5	187.87
OCT 6	50.00	OCT 6	520.00	OCT 6	657.87
OCT 8	200.00	OCT 8		OCT 8	457.87
OCT 9	176.29	OCT 9		OCT 9	281.58
OCT 10	42.60	OCT 10	375.00	OCT 10	613.98
OCT 11	8.96	OCT 11		OCT 11	605.02
OCT 12	16.00	OCT 12		OCT 12	589.02
OCT 13	18.54	OCT 13	600.00	OCT 13	1170.48
OCT 15	498.26	OCT 15		OCT 15	672.22
OCT 16	50.00	OCT 16		OCT 16	622.22
OCT 17	27.00	OCT 17	475.86	OCT 17	1071.08
OCT 18	33.00	OCT 18		OCT 18	1038.08
OCT 19	219.00	OCT 19	54.20	OCT 19	873.28
OCT 20	4.20	OCT 20		OCT 20	869.08
OCT 22	16.54	OCT 22	392.00	OCT 22	1244.54
OCT 23	25.00	OCT 23		OCT 23	1219.54
OCT 24		OCT 24		OCT 24	
OCT 25	9.87	OCT 25	500.00	OCT 25	1709.67
OCT 26	50.00	OCT 26	600.00	OCT 26	2259.67
OCT 27	128.75	OCT 27		OCT 27	2130.92
OCT 29	25.80	OCT 29		OCT 29	2105.12
OCT 30	248.00	OCT 30	159.08	OCT 30	2016.20
OCT 31		BALANCE			2016.20

PLEASE EXAMINE. IF NOT CORRECT REPORT AT ONCE

Fig. 23. A bank statement.

What was Mr. Jones's balance on October 1? Determine his total deposits for the month. How many checks did the bank pay? for what amounts? What was his balance on October 31?

55. Reconciliation of the bank statement and bank pass book. The bank's balance as shown on the statement may not correspond with the balance as shown in the depositor's check book. There may be several reasons for this difference: All the checks issued may not have been presented for payment; interest allowed on deposits may not have been added to the check-stub balance; notes or other business papers left with

the bank for collection may not have been entered; checks which the depositor included in his deposit may be worthless.

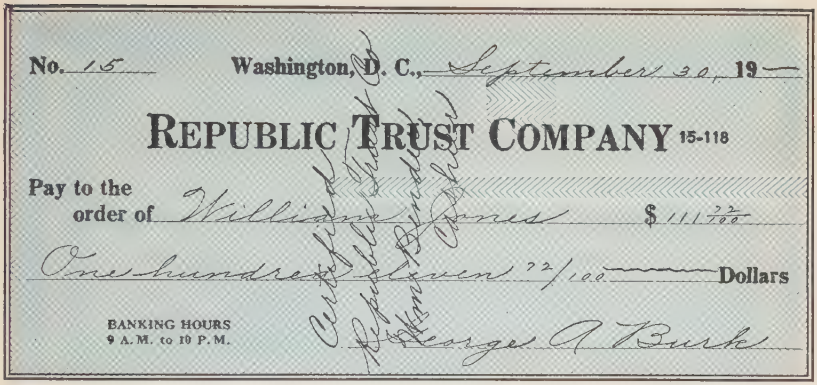
If the customer's balance, as shown by the bank statement or pass book, does not agree with his balance as shown in his check book, he must reconcile this difference. The following procedure for the reconciliation of a bank statement or pass book has proved helpful. Compare the record of deposits on the statement or pass book with the record of deposits on the backs of the check stubs. Make a note of any amounts which are credited by the bank but which do not show on the stubs. Arrange the canceled checks numerically or by the date of issue, and compare each with its corresponding stub. Make a list of the numbers and amounts of the checks which have not been returned by the bank canceled. Deduct the sum of these checks from the balance as shown on the bank statement. Add any deposits or credits which do not appear on the stubs to the check-book balance.

56. Illustrative exercise. According to the bank statement, William Jones had a balance October 31 of $2,016.20, but his check stub record showed $1,063.65. To account for the difference he followed the plan outlined in Section 55. He found that an item of $500, for a note given him in payment for merchandise and since collected by the bank, was missing from his stub record; and that checks, Nos. 26, 27, 28, and 29, were missing from the statement. He set down these facts as follows:

RECONCILIATION OF THE BANK STATEMENT

October 31, 19—

Bank's Balance as shown by statement		$2,016.20
Deduct		
Checks outstanding, No. 26	$50.00	
27	118.75	
28	25.00	
29	258.80	
		452.55
		$1,563.65
William Jones's check book balance	$1,063.65	
Oliver Twist's note not reported by the bank	500.00	
		$1,563.65


No. 15 Washington, D. C., September 30, 19—

REPUBLIC TRUST COMPANY 15-118

Pay to the order of William Jones $ 111 72/100

One hundred eleven 72/100 Dollars

BANKING HOURS 9 A.M. to 10 P.M.

Certified Sept 30 19— Republic Trust Co. Washington D.C. Kenneth Ryan Asst Cashier

George A Burk

Fig. 24. A certified check. Who is responsible for the payment of this check?

57. Certified check. Look at Figure 24. What is written across the face of the check? Who signed the writing? What is his position? This is merely the Republic Trust Company's way of certifying that it has transferred from George A. Burk's account $111.72, which it is holding to pay the check when it is presented. The bank, not the depositor, is responsible for the payment of the check, and the check is said to be *certified.* Any depositor with sufficient funds on deposit may have a personal check certified at his bank.

58. Bank draft. Figure 25 is a bank draft; that is a writ-

No. 26

First National Bank (72-96)

Clinton, Iowa, February 4, 19—

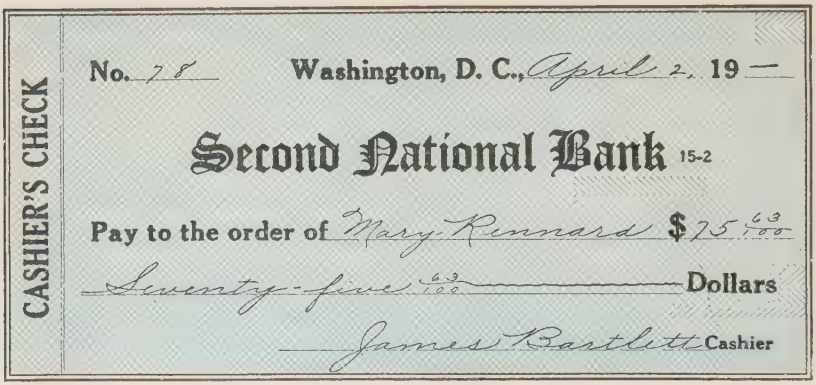
Pay to the order of Western Grocery House $ 56 25/100

Fifty-six 25/100 Dollars

To The American Trust & Savings Bank 2-117 Chicago

Carl Brown CASHIER

Fig. 25. A bank draft. Name the drawer of this draft; the drawee; the payee.


CASHIER'S CHECK

No. 78 Washington, D. C., April 2, 19—

Second National Bank 15-2

Pay to the order of Mary Kennard $75 63/100

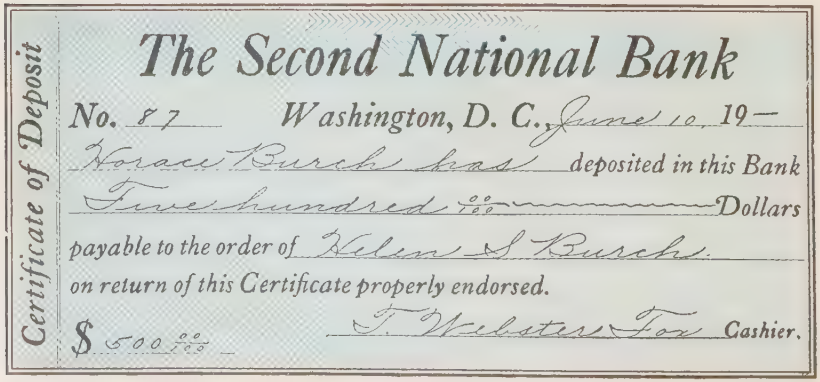
Seventy-five 63/100 Dollars

James Bartlett Cashier

Fig. 26. A cashier's check. Who is responsible for the payment of this check?

ten order by Carl Brown, cashier of the First National Bank of Clinton, Iowa, on the American Trust and Savings Bank of Chicago to pay $56.27 to the Western Grocery House. Bank drafts may be secured from any commercial bank. They are used chiefly in making remittances from one part of the country to another when a personal check might not be acceptable. To facilitate the payment of drafts, banks usually keep funds on deposit with at least one other bank in each of the commercial and financial centers of the country, such as New York, Chicago, Boston, St. Louis, and San Francisco.

59. **Cashier's checks.** Any depositor may write his per-


Certificate of Deposit

The Second National Bank

No. 87 Washington, D. C., June 10, 19—

Horace Burch has deposited in this Bank

Five hundred 00/100 Dollars

payable to the order of Helen S. Burch.

on return of this Certificate properly endorsed.

$ 500 00/100 T. Webster Fox Cashier.

Fig. 27. A certificate of deposit. How may Helen S. Burch cash this certificate?

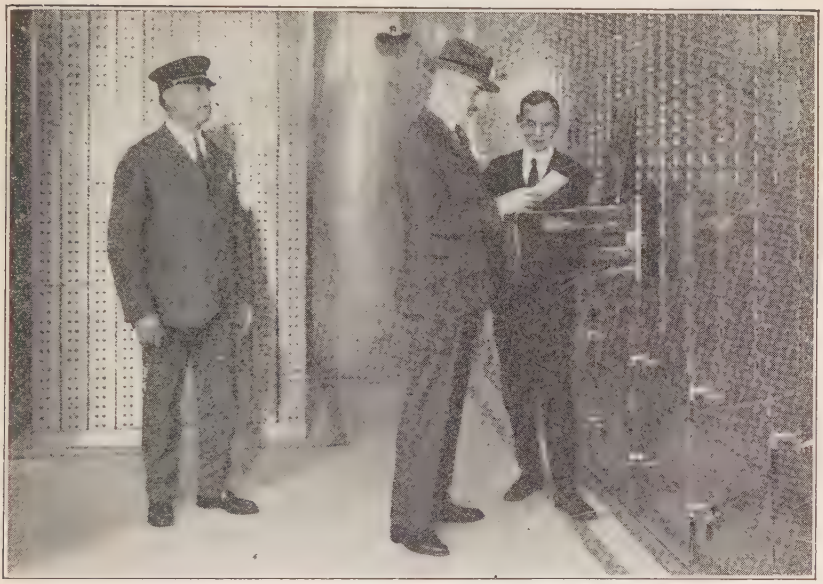


Fig. 28. This depositor keeps his valuable papers in a safety deposit box at his bank.

sonal check in favor of his bank for any sum up to the amount he has on deposit, and receive the bank's check for that amount signed by the cashier. (Fig. 26.) Who is responsible for the payment of this cashier's check? If you knew the cashier's signature was genuine, would it be safe to accept such a check from a stranger?

60. Certificates of deposit. Individuals frequently leave money in the safe-keeping of a bank even though they do not desire to become regular customers. To these persons banks issue certificates of deposit. (Fig. 27.) This business paper states that the depositor has a certain sum to his credit payable on demand or on a definite future date. It usually bears interest, and may be transferred by indorsement.

61. Safety deposit boxes. For the safe-keeping of customer's valuables, such as stocks, bonds, insurance policies, mortgages, wills, jewelry, and heirlooms, many financial insti-

Fig. 29. The banking room of one of the largest savings banks in the world.

tutions have constructed burglar-proof vaults containing safety deposit boxes which may be rented by the year. Every precaution is taken against theft. One large city bank requires each of its safety deposit box holders to give a password and to fill in a signature card before he is admitted to the vaults. The signature is then compared with the original which was written when the box was first rented. In addition, each box has a lock which is so constructed that it needs both the master key, retained by the bank, and the customer's key in order to be opened.

62. Savings banks. What do you think of a bank that accepts deposits for as little as a penny? There is such an institution in one of our large eastern cities. An applicant may walk in with a penny, open an account, and walk out with a pass book worth about five cents. He needs no introduction. (Sec. 43.) He may make additional deposits either in person or by mail. This bank pays him 4¼ per cent interest on monthly balances of $1 or more compounded annually, and

permits him to withdraw his money or any part of it on two weeks' notice. Savings deposits are not subject to check.

In the United States there are about sixteen hundred savings banks. They will not as a rule receive deposits of sums as small as a penny, but they will accept deposits of $1 or more for safe-keeping at a liberal rate of interest. Many of them do not require a depositor to give prior notice of his intention to withdraw his savings. They had 13,339,051 patrons in 1923 with deposits amounting to $7,579,794,000. They make saving easy. They are reasonably safe, for each is strictly limited in its charter to certain kinds of investments, such as mortgages on real estate, and government bonds. Every person, regardless of the form his other savings may take, should have an account with a savings bank.

63. Trust companies. Many trust companies have commercial and savings-bank departments. In addition they will draw a will for a customer and will see that its terms are carried out after his death. Some will examine every transfer, for years back, of a piece of real property, and issue insurance, called *title insurance* for the protection of the buyer against some old mortgage, ground rent or other encumbrance on the property. They will take care of money and other property left to boys and girls under the legal age, pay for their schooling, buy them food, clothing, shelter, and other necessities and pleasures, and turn over the principal, or such portion of it as remains, to each person at such time as the trust may require. And they will take over the management of a business organization, which is unable to pay its debts, and either conduct its affairs until it is again on a paying basis, or sell its property, stock, and fixtures to the best advantage for the owners or stockholders.

64. The Federal Reserve System. In 1913 Congress passed a law providing for the establishing of twelve Federal Reserve Banks, each designed to serve as a kind of central bank for such banks in its allotted territory as might become members of the Federal Reserve System. The Federal Reserve Banks hold member banks' reserves, that is the money that is

required by law to be held ready to pay depositors on demand; lend money to member banks; issue Federal Reserve notes; collect checks, and act as financial agents for the government.

QUESTIONS

1. From your dictionary or from Appendix B of this book find the meanings of *promoter, charter, capital stock, discount, signature, drawer, drawee, payee, forgery, reconciliation, draft, check.* Learn the spelling of each word. 2. Tell how banks aid the depositor; the community. 3. Do you have in your locality all the three kinds of banks mentioned in Section 41? Where is each located? What is its name? 4. Name at least three ways in which the services rendered by a commercial bank differ from those rendered by a savings bank; a trust company. 5. What is the difference between your signature and your name? 6. How is an account opened in a commercial bank? a savings bank? Which is easier? Why? 7. Distinguish between *indorsement in blank* and *indorsement in full.* 8. Safety dictates the deposit of a check the day it is received or the day after. Why? 9. Which is written first, the check or the stub? Why? 10. Are checks money? Explain. 11. Set down five simple rules for careful check writing. 12. A good citizen keeps a checking account and a savings account. Explain. 13. Give one element of difference among certified checks, drafts, and cashier's checks; one use in common. 14. James Burch keeps his mortgage in a safety deposit box; Henry Hoagland keeps his in his desk drawer. Which one is wiser? Why?

TOPICS FOR DISCUSSION AND INVESTIGATION

1. What is a *clearing house?* What service does it render to banks? 2. Make a report on the organization of the Federal Reserve Banking System, and on "How it aids its member banks." 3. Tell about the various devices used on checks as protection against "raising" and forgery. Try to get a picture of each device from the advertisements in magazines. 4. What is the legal age in your state for boys and girls? 5. For how much may a small safety deposit box be rented at the bank where your father has his account? 6. Alexander Hamilton was one of our greatest financiers. Find out about his work after the Revolution; of the work of Robert Morris; of the work of Jay Cooke during the Civil War. 7. Tell something of the organization and the activities of a national bank. 8. What difficulties would business men have in paying bills if there were no banks? 9. Banks grant loans on character, capacity, and capital. Explain. 10. Is it better to appoint a trust company or a near relative as executor of an estate? Explain. 12. Tell how the activities of banks are supervised by the government of your state.

A PROBLEM IN BANKING

On May first you are to open an account with the Citizens National Bank, Boston, Mass., of which your teacher is cashier. You will receive a signature card, a pass book, a check book, some deposit slips and $400 in school currency.

1. Fill out the signature card and leave it at the bank. Count the money to see that the amount is correct. Place it in an envelope marked *Cash Drawer.*
2. Deposit $300 in the bank.
4. Write a check in favor of the Brown Athletic Supply Company, New York for $8.50 for athletic material. Write a check in favor of A. M. White & Company for $10.00 for books.
5. Write a check in favor of Smith & Company for $5.25 for athletic dues.
6. Receive a check from Henry Benson for $18.75 drawn on the Second National Bank, Wilmington, Del. Receive a check from Wilson Bros. for $50.00.
7. Deposit $50.00 in currency and the checks on hand.
8. Write a check in favor of the Merz Automobile Company for $32.11 for repairs. Write a check in favor of City Real Estate Company for $45.00, for rent.
9. Receive a check from George Harvey for $45.50 drawn on the Allegheny Trust Company, Pittsburgh, Pa.
11. Receive a check from the Brown Manufacturing Company for $65.00 drawn on the First National Bank, Chicago, Ill. Write a check in favor of McBane and McBane for $31.50 for supplies. Write a check withdrawing $5.00 for personal use.
12. Deposit $25.00 in currency and the checks.
13. Write a check in favor of William Gibson for $11.12 for groceries.
14. Write a check in favor of Charles Cameron for $8.75 for clothing.
15. Receive a check from Henry Benson for $55.32 drawn on the Second National Bank, Wilmington, Del. Receive a check from Wilson Bros. for $32.78 drawn on the Peoples Bank, Albany, N. Y.
16. Deposit the checks on hand.
18. Write a check in favor of Stanley Dodds for $8.76 for books.
20. Write a check in favor of Reed Bros. for $41.30 for furniture.
23. Receive a check from George Harvey for $98.16 drawn on the Allegheny Trust Co., Pittsburgh, Pa. Receive a check from the Brown Manufacturing Company for $51.22.
25. Deposit the checks and cash on hand.
27. Write a check in favor of John Black for $112.60 for radio set
30. Receive the bank statement of your account.

Reconcile the bank statement with your check book record.

CHAPTER V

SIMPLE BUSINESS FORMS

65. Business papers. For the efficient conduct of modern business many different kinds of paper forms have been devised. Some are designed to meet the peculiar needs of one particular store, shop, or factory. Others are used by many different types of business organizations, by professional people, and by men and women in private life. Of the latter type, the most common are order blanks, bills or invoices, receipts, credit memoranda, statements, and checks.

ORDER BLANK

James S. Wilson & Co.
CHICAGO, ILL.

Date December 12, 19--

Gentlemen—Ship the goods specified below to the following address:

By Parcel Post
Specify Parcel Post, Express or Freight

Name Mrs. Edward Fallon
Party to whom goods are to be shipped

Shipping Point 934 Kenwood Ave., Elgin,
R. R. Station, City or Town

County Kane

State Illinois

Post Office
If different from Shipping Point

Number	Size	Color	Quantity	Article	Price	Extension
17	24	Black	1	Traveling Bag	5 75	5 75
42	6			Electric Iron	2 95	2 95
62	7B	Tan	2	Pairs Shoes	6 50	13 00
						21 70

Charge to My Account $ 21.70 Express Money Order

Post Office Money Order Check or Draft

Signed, Elsie A. Fallon
(Mrs. Edward Fallon)

Fig. 30. This order blank is supplied by a large retail store for the use of its mail-order customers.

66. Order blanks. Figure 30 is an order form which is supplied by a large retail store for the use of its mail-order customers. A pad of these blanks is sent to each customer with the store catalogue. Name the articles

934 Kenwood Ave.,
Elgin, Illinois,
December 12, 19—

James S. Wilson & Co.,
516 State Street
Chicago, Illinois.

Gentlemen:

Please send me the following articles by parcel post:

1 Traveling Bag, catalogue # 17, size 24, color black $5.75
1 Electric Iron, catalogue # 42, size 6 ..... 2.95
2 Pairs Shoes, catalogue # 62, size 7 B, color tan, price $6.50 a pair 13.00
Total 21.70

Charge this order to my account.

Yours truly,
Elsie A. Fallon,
(Mrs. Edward Fallon)

Fig. 31. This order letter contains all the details necessary for filling and shipping the order.

which were ordered on December 12. Give the color, quantity, and price of each. How did the customer determine the number and size of each article? What is the total amount of the order? How will it be paid? How will the goods be shipped? What use is this order blank to the customer? What use is it to the merchant?

If the customer has no order blanks on hand, she may write an order letter. (Fig. 31.) This letter should include all the details necessary for the identification of the goods such as the trade name, price, quantity, style, size, color, and shape; should tell how and when shipment is to be made; should state the method of payment; and should contain the sender's name, her street number, city, and state. Are all these details included in Figure 31?

67. Bills or invoices. December 15 James S. Wilson & Co. mailed the bill for the goods ordered on December 12. (Fig. 32.) Give the merchant's full name; his place of business; the full name of the customer; her address; the articles of merchandise, the quantity of each; its price; and the date sold. What is the total amount due? Such a business paper is often called an invoice by the buyer and a bill by the seller. The distinction, however, is not always observed, for the terms are used interchangeably. Bills or invoices sent out by stores, shops, or factories which do not maintain an extensive delivery service, also contain a statement of the method of shipment. If the business allows a trade or cash discount, that is indicated.

James S. Wilson & Co.

516 STATE STREET CHICAGO, ILLINOIS

MRS. EDWARD FALLON,
934 KENWOOD AVE.,
ELGIN, ILL.

December 15, 19—

TERMS: On a/o AMOUNT

Return this Coupon with Check. Retain Lower Portion of Bill. Cancelled Check is Receipt. $ 21.70

Bill from James S. Wilson & Co., Chicago, Ill. Paid 19 Check No.

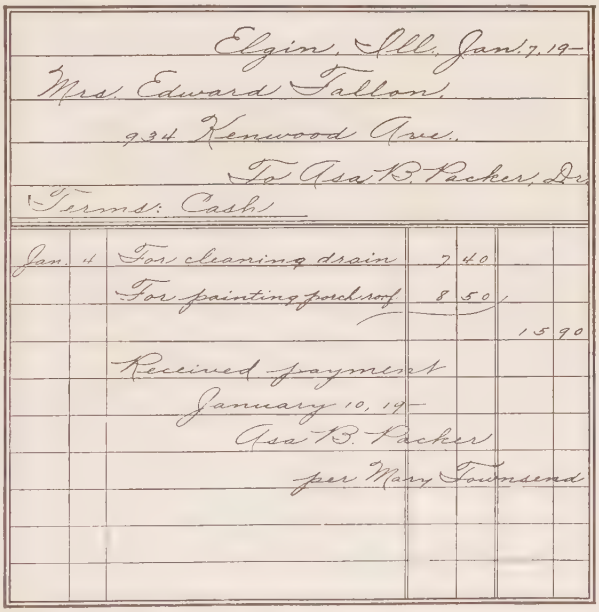
	9/446			TOTAL
	TRAVELING BAG		5 75	
	ELECTRIC IRON		2 95	
	2 PRS SHOES	6 50	13 00	21 70

Fig. 32. A bill with return coupon attached.

68. Bills for services rendered. If the plumber calls to

clean out a drain pipe, the garage mechanic to fix the automobile, or the physician to make a professional visit, the bills for their services will differ in form from a bill of goods. The bill of the artisan will be itemized (Fig. 33) and may offer a discount for prompt payment. That of the physician will be merely "for professional services rendered."

69. Receipts. The dictionary gives one definition of receipt as a written acknowledgment of money paid. Such an acknowledgment may be written either directly on the bill or invoice, or on a separate receipt form. It may be a check which was given by the customer in payment, was properly indorsed (Sec. 47) by the merchant, and was returned to the buyer canceled by his bank.

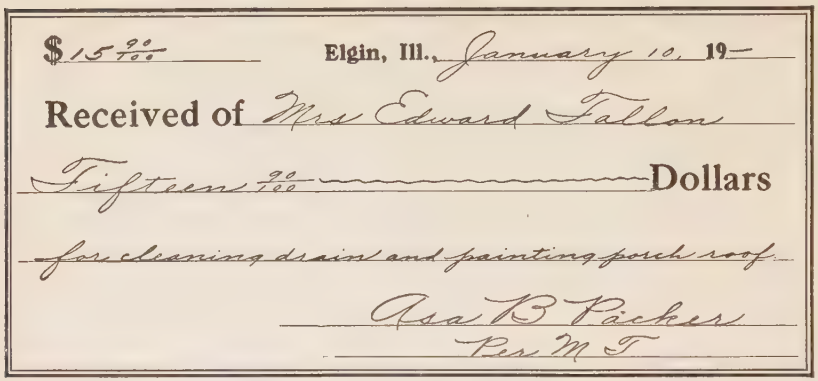

Elgin, Ill., Jan. 7, 19—
Mrs. Edward Fallon,
934 Kenwood Ave.
To Asa B. Packer, Dr.
Terms: Cash

Jan.	4	For cleaning drain		7	40	
		For painting roof		8	50	
						15 90
		Received payment				
		January 10, 19—				
		Asa B. Packer				
		per Mary Townsend				

Fig. 33. A bill for services rendered.

70. Receipt blank. This business paper when properly filled in bears the date and place of writing, the amount of money paid, by whom it was paid, to whom, and for what. Does Figure 34 contain each of these six items? A receipt is legal evidence of payment. Always request one when settling a debt with cash, and file it in a safe place for reference.

71. Receipted bill. Canceled checks. Figure 33 shows a bill which has been properly receipted. Read carefully the


$15.00/100 Elgin, Ill., January 10, 19—

Received of Mrs Edward Fallon

Fifteen 00/100 Dollars

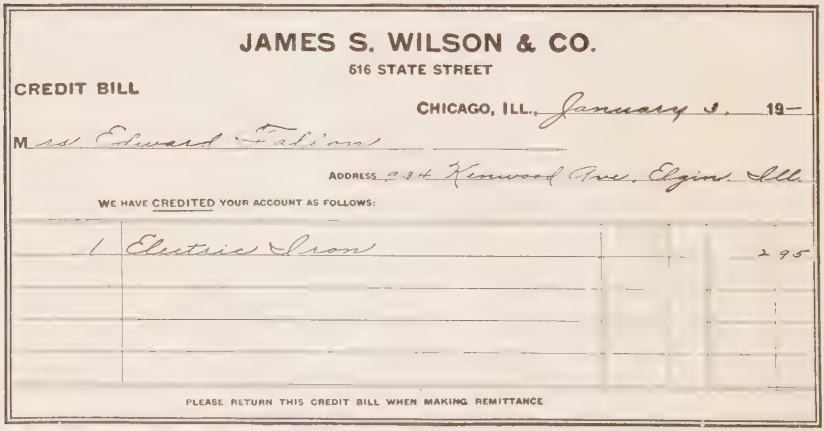
for cleaning drains and painting porch roof

Asa B Packer

Per M T

Fig. 34. Form receipts are issued when the bill does not accompany the remittance.

acknowledgment of payment. What is the amount of the bill? When was it paid? Who received the money? How did she acknowledge the receipt of the money? In order to avoid the labor and expense of acknowledging remittances, many business houses print on their bill forms and statements, "Your canceled check is your receipt." Other business houses use a bill form with coupon (Fig. 32) which may be detached and mailed with the check, while the body of the bill is retained by the remitter. One must remember, however, that a can-


JAMES S. WILSON & CO.

616 STATE STREET

CREDIT BILL

CHICAGO, ILL., January 5, 19—

Mrs Edward Fallon

ADDRESS 234 Kenwood Ave. Elgin Ills

WE HAVE CREDITED YOUR ACCOUNT AS FOLLOWS:

1	Electric Iron	2 95

PLEASE RETURN THIS CREDIT BILL WHEN MAKING REMITTANCE

Fig. 35. A credit bill or credit memorandum

celed check is merely a receipt for the sum of money written on its face. It does not specify the goods or services for which payment is made. Consequently the receipted bill together with the canceled check provides a more adequate record of payment. A canceled check becomes a more effective substitute for a receipt when the check shows on its face the purpose for which it was written. This form of check is called a *voucher check*.

STATEMENT OF ACCOUNT

Please check this statement to see if it agrees with your account. If not, please notify us of any error within five days after its receipt.

JAMES S. WILSON & CO.

516 STATE STREET, CHICAGO, ILL.

FOLIO 446 IN ACCOUNT WITH January 15, 19—

Mrs Edward Fallon,
924 Kenwood Ave.
Elgin, Ill.

TERMS _____ Return this Coupon with Check. Retain lower portion of Statement. Cancelled Check is Receipt. $ _____

19—						
Jan	1	BALANCE			51	70
		MDSE PER BILL RENDERED				
		Cr				
	3	By Mdse returned	2	95		
	5	Cash	15	00		
					17	95
					33	75

JAMES S. WILSON & CO.
OUR BOOKS SHOW YOUR BALANCE TO BE LAST AMOUNT IN THIS COLUMN

Fig. 36. A statement is a copy of a customer's account as it appears on the ledger.

72. Credit memoranda. The electric iron which was ordered December 12 proved unsatisfactory, and was returned. In a day or two the customer received the credit memorandum shown in Figure 35. This business paper is issued when goods have been billed incorrectly, when a rebate or deduction has been allowed the purchaser, or when goods are returned.

73. Statements. Many retail stores issue with each sale a copy of the sales slip, called *sales schedule;* and at the end of the month send to each customer an itemized statement of his account. On the fifteenth of the following month they usually send a second statement as a reminder of the amount due. A statement should show the balance due at the beginning of a given period, the total amount of each bill or the amount of each sale to be added to that balance, the merchandise returns and the cash payments to be deducted, and the amount due at the close of the period. What did Mrs. Fallon owe on January first? (Fig. 36.) Did she make any purchases in January? What merchandise credit did she receive? What cash payment did she make? How much did she owe on January 15?

Manufacturing establishments and wholesale houses usually send a bill for each order and render a statement of account on the first of the following month. The balance as shown by the statement should be the same as the balance as shown by the customer's ledger account.

QUESTIONS

1. Why should every person be familiar with the business papers used in ordinary transactions? 2. What is a cash sale? a sale on account? 3. A letter ordering goods should contain four elements. What are they? 4. Distinguish among a bill, an invoice, a statement. 5. State points of similarity and of difference between a bill for goods and a bill for services rendered. 6. Why is it best to get a receipt when paying a debt? 7. Which form of receipt is preferable: a receipted bill, a receipt, or a canceled check indorsed by the merchant? Give reasons for your answer. 8. "Your canceled check is your receipt." In what sense is this statement true? 9. Find, from the dictionary, the definition of *invoice, receipt, catalogue, discount, rebate, artisan, itemized, canceled, statement, coupon, remitter, memoranda, credit, debit, schedule.* 11. In each of the following transactions, tell exactly what kind of business paper you would write: (*a*) Henry Smith buys some office supplies and gives a check for the amount. (*b*) William James pays in cash all that he owes. (*c*) Harvey Miller buys merchandise and gives a check for $100 in part payment. (*d*) Robert Wallace mails a check to pay a bill which he incloses. (*e*) Samuel Martin returns some material purchased. (*f*) Edward Toy writes to know how much he owes.

TOPICS FOR DISCUSSION AND INVESTIGATION

1. Distinguish between cash and trade discount. 2. Discuss the advantages of paying bills by check. 3. Is a receipt conclusive evidence of payment of a bill? a canceled check? Explain. 4. When is a debt said to be "outlawed"? 5. How long and under what conditions should a receipt be kept in your state?

PROBLEMS

1. From a catalogue or an advertisement order at least three household articles. 2. Order a pair of gloves from the Quaker Glove Company, Pittsburgh, Pa. Give all the necessary details. 3. Write a letter to the Curtis Publishing Company, Philadelphia, Pa., for a one-year subscription to the Ladies' Home Journal. Ask them to begin your subscription with the January number. 4. Order a pair of roller skates from John Roebuck & Company, Chicago, Ill. Give all the necessary details. Request them to ship the roller skates by parcel post, C. O. D.

5. Tucker and Brown, 1801 Market Street, your city, sold the following goods and have asked you to prepare a bill for each sale. Date bills May 2. (*a*) James D. Lance, 1909 Wallace Street, your city; terms, cash; check received with the order. Items as follows: 2 doz. Meat Choppers at $15.50; 4 Family Scales at $1.80; 3 doz. Hammers at $8.75. Receipt the bill. (*b*) Robert M. McKean, 2216 Pine Street, your city; terms, on account. Items as follows: 15 yds. Wamsutta Cotton at 87½¢; 18 yds. Taffeta Silk at 95¢; 5 gross Jet Buttons at $2.75. (*c*) John H. Gibson, 768 Adams Street, your city; terms, C. O. D. Items as follows: 6 doz. Boys' Heavy Cotton Hose at $3.60; 3 doz. Men's Kid Gloves at $10.50; 15 yds. Percale Shirting at 25¢. (*d*) William D. Myers, 2411 Fifth Avenue, your city; terms, cash; check received with the order. Items as follows: 1 doz. Meat Choppers at $15.50; 2 doz. Hammers at $8.75. Receipt the bill. 6. Prepare credit memoranda for the following articles of merchandise which were returned to Tucker and Brown; date May 5: (*a*) One Family Scale at $1.80 from James D. Lance; (*b*) Three gross Jet Buttons at $2.75 from Robert M. McKean; (*c*) One dozen Boys' Heavy Cotton Hose at $3.60 from John H. Gibson; (*d*) One Meat Chopper from William D. Myers. 7. A check for $20 on account has been received from Robert M. McKean. Prepare a receipt. 8. Prepare a bill for a newsboy, who has delivered a local paper for two weeks to Thomas Gray. Receipt the bill. 9. You have been employed by a local dealer to work for him after school and on Saturday at $4.50 a week. Prepare a bill for one week's services. 10. William Lee employed you to assist him in his store on Saturdays and has agreed to pay you $2.50 each week. Prepare a receipt for the pay for your first Saturday's work.

Chapter VI

PERSONAL RECORDS

74. The budget. A builder who could not estimate in advance the cost of a house, but agreed to build it as economically as possible, and when finished, to calculate the cost would be considered a pretty poor business man. He would lose many contracts to the mechanic who could think ahead. But consider a minute. Isn't that exactly what many people are doing when they spend as fast as they earn, without estimating expenses and carefully recording expenditures? Not so, however, the thrifty schoolboy who lived by a budget. (Fig. 1.) He estimated his weekly earnings, distributed the money among the classes of his needs, and kept within his estimates. How much did he save each week? What will that amount to in a year? Planning ahead is the surest way of getting ahead.

75. Other personal records. As one grows older, begins to earn his own living, possibly becomes secretary or treasurer of a club or society, or has a home of his own, it may be necessary to keep a written account of all receipts and expenditures in such a form that not only he but others can examine and understand the records. Good management in the business of living demands that one shall become familiar with the correct method of ruling and keeping a simple cashbook, with the construction of a formal statement of income and expenditures, with the recording of transactions involving purchases on account by him from others or by others from him, together with the payments made against such purchases, and with the making of an inventory of household or personal effects.

76. Personal cash record. Figure 37 is a personal cash record. It is usually referred to as a *cashbook*. Into how

Cash Record of Martha Adams

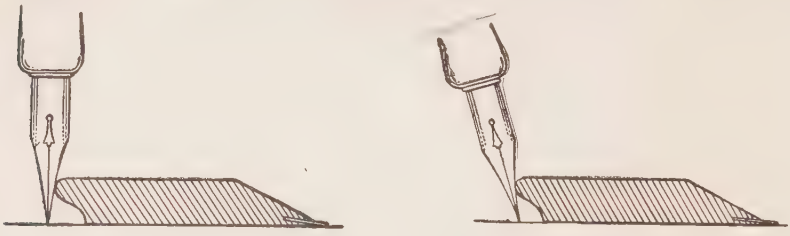
Date	Explanation	Received	Paid Out
May 2	Cash on hands	5 50	
2	Salary	12 00	
2	Carfare and lunch		35
3	Moving-picture show		25
3	Carfare and lunch		40
4	Carfare and lunch		40
5	Carfare and lunch		35
5	Shoes	11 00	6 50
6	From Jim (He owed me)	1 00	
6	Carfare and lunch		35
7	Tickets for ball game		50
7	Carfare and lunch		45
7	Balance of cash on hand		8 95
		18 50	18 50
May 9	Balance of cash on hand	8 95	

Fig. 37. The personal cash record of Martha Adams.

many vertical columns is it ruled? Where is the year of writing placed? the month? the day of the month? the explanation of the source of the money received or of the purpose for which it was paid? the sums received? paid out? How are dollar amounts distinguished from cents? Is the dollar mark used? One who keeps a cashbook and records therein all his cash receipts and expenditures will have an invaluable aid in learning to spend wisely. (Sec. 4.)

77. Cash. In business transactions stamps, checks, bank drafts, post-office and express money orders, and certificates of deposit in addition to bills and coin are usually accepted as money and considered as cash. This custom must be kept in mind when recording receipts or expenditures in a cashbook.

78. Balancing the cashbook. A person who keeps a cashbook should be able to determine quickly whether his book balance agrees with the amount of money that he has on hand and in the bank. The *pencil footings method* of finding this balance is shown in Figure 37. Note the small figures in the "paid-out" column under the item, *shoes,* in the "received" column under the item, *salary.* These are sub-totals to May 6. The $8.25 paid out to May 6 when subtracted from the $17.50 received to that date leaves a balance of $9.25. This balance is written in small pencil figures in the "explanation" space.



First Position Second Position

Fig. 38. How to hold the pen for double rulings.

It represents the sum the person should have on hand and in bank provided that he has recorded all receipts and expenditures.

Bookkeepers and others who keep records of many cash transactions balance their books at regular intervals—the close of the day, the end of the week, or the last business day of the month. They use the method shown in Figure 37. How much money was received during the first week in May? How much was paid out? What is the balance of cash on hand? Where is it written? Some bookkeepers prefer to write this balance and its explanation in red ink. This, however, is optional, as is the color of ink used in ruling the addition line through the money columns beneath the amount of the balance, and the double closing lines through the date and money columns below the totals for the week. Was $8.95 actually paid out? Why then was it placed in the right hand column? How was it restored to its proper place? under what date?

Receipts			Date	Explanation	Payments			
Misc.	Allow.	Total			Total	Clothing	School Ex.	Misc.
		15 50	17– Sept 15	On hand				
	10 00	10 00	15	Reid allowance				
			15	Shoes	6 50	6 50		
			20	Class dues 2.00 Theatre 1.10	3 10		2 00	1 10
2 50		2 50	21	For work after school				
			21	Note books and pencils	75		75	
			21	Trolley tickets	25			25
5 00		5 00	22	Birthday gift				
7 50	10 00	33 00			10 60	6 50	2 75	1 35
			22	Balance on hand	22 40			
		33 00			33 00			
		22 40	Sept 24	Balance on hand				

Fig. 39. A special-column cashbook with distribution columns for the various classes of receipts and expenditures.

79. Ruling. A record keeper cannot be efficient unless he can rule his own personal accounts. Below are some suggestions for ruling which, if followed, will help to produce neat personal records. Hold the ruler and the edge of the paper parallel with the front of the desk. Place the beveled edge (Fig. 38) of the ruler next to the paper. Hold the pen (Fig. 38) vertically with the flat part at right angles to the ruler so that the point is not in contact with it. Using the little finger to support the hand, draw the pen lightly and quickly along the beveled edge. Place single ruling exactly on the blue lines of the paper. Place the first stroke of double rulings on the blue line, the second a little below it. When ruling a double line, allow the ruler to remain in place. Hold the pen vertically for the top line, incline the top forward for the lower line.

80. Special-payment-column cashbook. How much did Martha Adams spend for carfare and luncheon during the first week in May? (Fig. 37.) To answer this question one must read each item and pick out those about which more informa-

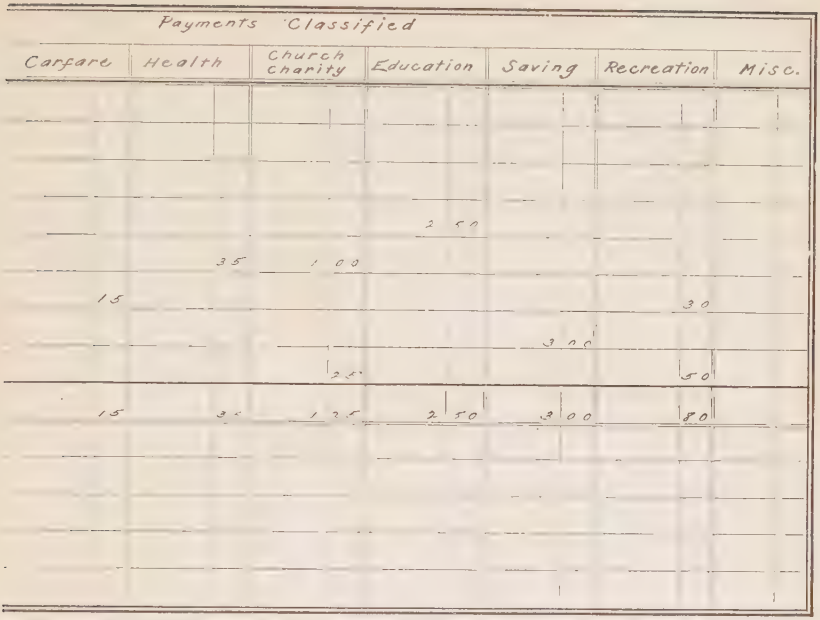
Date		Items	Receipts	Payments	Board	Clothing
19—						
May	1	On hand	11 15			
	1	Board 6.00 Neckties 1.00		7 00	6 00	1 00
	2	Salary	18 00			
	3	Night School Supplies		2 50		
	4	Red Cross 1.00 Textbook 1.35		1 35		
	5	Carfare .15 Movies .30		45		
	6	Savings Bank		3 00		
	7	Church .25 Excursion .50		75		
			29 15	15 05	6 00	1 00
	7	Balance		14 10		
			29 15	29 15		
May	8	Balance	14 10			
	8	Board 6.00 Shoes 6.50		12 50	6 00	6 50

Fig. 40. The special-payment-column cashbook of Arthur James

tion is desired. This takes time, especially when many cash transactions must be analyzed. Consequently the special-payment-column cashbook is used by individuals, stores, shops, and factories to record cash receipts and expenditures.

Figure 40 is such a cashbook. It has the customary date, explanation, and receipt columns. The column headed *Payments* shows the amount expended each day. In addition there are special columns for each class of expenditures. How much did Arthur James have on hand May 1? Where is this amount shown? What were his purchases of May 3? In which column is shown the total sum spent? How is this sum distributed among the classes of expenditures?

81. Special-column cashbook. Big business organizations find it convenient to have their cashbooks ruled with special columns for receipts as well as for expenditures. (Fig. 39.) These forms may be purchased in the stores but are seldom necessary for the keeping of personal accounts.



with distribution columns for the various classes of expenditures.

82. Statement of income and expenditures. A treasurer of a society, club, or school organization is usually required by the by-laws to submit to the society a statement of income and expenditures together with bills, receipts, canceled checks, bank book, and cash on hand. This report is examined (audited) by a special committee. It must, therefore, be in a form that can be easily and quickly checked by the auditors. Figure 41 is such a form.

83. Personal accounts. These are kept with persons or with business organizations. They are divided into two classes: accounts with customers and accounts with creditors.

84. Accounts with customers. George Wilson is a wholesale grocer in St. Petersburg, Florida. James Brown keeps a hotel near Tampa Bay. Mr. Brown regularly buys his groceries on account from Mr. Wilson. The merchant has many such accounts which he keeps in a book called a ledger, a

Rockville High School Athletic Association
Statement of Income and Expenditures
September 1 to June 30, 19—
Harry Brown, Treasurer

INCOME					
Cash on hand, September 1, 19—		65	60		
A. A. Tickets	996.50				
Gate receipts:					
Football	1310.75				
Soccer	135.50				
Basket ball	14.50				
Baseball	75.75	2533	00		
Total income				2598	60
EXPENDITURES					
Football	1280.72				
Soccer	153.44				
Hockey	25.85				
Basket ball	164.72				
Track	215.87				
Tennis	48.72				
Baseball	185.64				
General expenses	418.71			2493	67
Cash Balance, June 30, 19—				104	93

Fig. 41. A statement of income and expenditures.

portion of a page from which is shown in Figure 42. Where is Mr. Brown's name written on his account? his place of business?

On January 2 George Wilson sold to Mr. Brown merchandise valued at $40.50. In accounts with customers, such a sale is always recorded on the left side of the ledger page. What was the value of the goods sold on January 15? on January 25? On January 5 Mr. Brown paid Mr. Wilson $40.50. In accounts with customers, such a payment is always recorded on the right side of the ledger page. How much did Mr. Brown pay on January 22? Does this sum offset any particular sale?

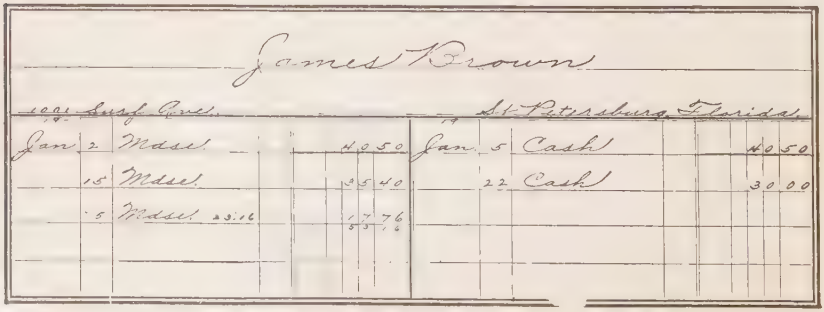


Fig. 42. James Brown's account as it appeared in George Wilson's ledger.

Living Room

#5 Ridgewood Road — June 30, 19—

No.	Description of Article	Date of Purchase	Unit Price	Cost	Total
1	Milton Rug, 6x9	Jan 5, 19—		60 00	
2 pr	Lace Curtains	Feb 16, 19—	15 00	30 00	
1	Upholstered Couch	Feb 24, 19—		140 00	
2	Upholstered Chairs	Feb 24, 19—	50 00	100 00	
2	Mahogany Chairs	March 14, 19—	9 00	18 00	
1	Rocker	April 30, 19—		10 00	
1	Table	April 30, 19—		15 00	
1	Victrola	May 25, 19—		100 00	
25	Victrola Records	May 25, 19—		25 00	
					498 00

Fig. 43. An inventory of the furniture in a living room.

Subtract the amount paid from the total amount of the sales. How much does James Brown still owe? The difference between the two sides of a ledger account shows the balance due.

85. Accounts with creditors. If a person were permitted to examine Mr. Brown's ledger, he would find the account with George Wilson shown in Figure 44. Note that Mr. Wilson's account in Mr. Brown's ledger is the exact opposite

George Wilson — 5

123 Cleveland Ave. — St. Petersburg, Florida.

19—					19—				
Jan.	5	Cash	40	50	Jan.	2	Mdse.	40	50
	22	Cash	30	00		15	Mdse.	35	40
						25	Mdse. 20.16	17	76

Fig. 44. George Wilson's account as it appeared in James Brown's ledger.

of Mr. Brown's account in Mr. Wilson's ledger. Mr. Wilson placed on the left side of Mr. Brown's account the value that Mr. Brown received from him, and the form in which it was received. Mr. Brown placed on the left side of Mr. Wilson's account the value that Mr. Wilson received and the form in which it was received. Mr. Wilson placed on the right side of Mr. Brown's account the value that Mr. Brown gave to him and the form in which it was given. Mr. Brown placed on the right side of Mr. Wilson's account the value that Mr. Wilson gave to him and the form in which it was given.

As stores, hotels, and other business organizations keep accurate ledger records of transactions on account, so many individuals in private life record similar purchases and payments.

86. Inventory records. An inventory is an itemized list of goods or valuables with their cost or estimated worth. Every owner of insured personal property should keep such a list, preferably in a safe or a safety deposit box. If the property is destroyed by fire, the inventory is used in preparing a statement of the loss for the insurance company. Figure 43 shows an inventory of the furniture in a living room.

QUESTIONS

1. Make a list of the advantages to be derived from the keeping of a budget. 2. Why is it desirable to keep records which others may examine and understand? 3. What do business men consider as cash? 4. Name a disadvantage in the use of a simple cashbook. 5. What is the purpose in balancing a cashbook? 6. Give the advantages of a special-column cashbook over a special-payment-column cashbook. 7. What is the use of a statement of income and expenditures as made by a treasurer of a club or society? 8. Distinguish between accounts with customers and accounts with creditors. 9. How may the correctness in the distribution columns of a cashbook be verified? 10. Give three good reasons for keeping an inventory of household goods or personal belongings. 11. Find from a dictionary the definition of *budget, account, inventory, journal, ledger, audited, auditors.*

TOPICS FOR DISCUSSION AND INVESTIGATION

1. "A budget will stop the leaks in your income." Explain. 2. Will the keeping of a personal cash record prevent reckless spending? 3. How may you prove the correctness of your cashbook? 4. Are

records of income and expenditures of your school athletic association kept efficiently? Could you suggest improvements in the method of keeping these records? 5. What is the meaning of each of the following terms: debits? credits? accounts receivable? accounts payable? depreciation? 6. A person should not purchase an article until he has the cash in hand to pay for it. Debate this statement.

PROBLEMS

1. On a sheet of writing paper rule a red or a black line on top of each printed line on the page. 2. On another sheet rule double red or black lines as explained in Section 79. 3. If a simple cashbook is not provided for your use, rule a sheet of paper 6 inches wide for a simple cashbook as shown in Figure 37. Enter the following items of receipts and expenditures.

May 1 Received from father, $5.00
May 2 Spent for notebook and pencil, 30¢
May 4 Paid class dues, 50¢
May 5 Spent for clothing, $2.50
May 6 Earned working after school, $2.00
May 7 Gave to Church, 20¢
May 8 Spent for car fare, 25¢
May 9 Club dues, 75¢
May 11 Postage, 15¢; candy, 25¢
May 12 Earned, $1.50
May 13 Spent for clothing, $1.25; entertainment $1.45
May 15 Earned, $1.25

4. Close the cashbook as shown in Figure 37. 5. How can the correctness of the cashbook balance be verified?

6. Continue in the same cashbook the following items of receipts and expenditures for the last two weeks of May, and balance the cashbook.

May 16 Paid car fare, 25¢; lunch, 20¢
May 17 Received from father, $5.00
May 18 Paid class dues, $1.00
May 19 Earned, $2.50
May 20 Paid for repairs on bicycle, 75¢
May 21 Gave to Church, 25¢
May 22 Paid for car fare, 25¢; lunch, 20¢
May 23 Entertainment, 30¢; candy, 25¢
May 24 Notebook and pencils, 30¢
May 25 Near East Relief, 75¢
May 26 Received from father, $5.00; paid for shoes, $4.50
May 27 Earned, $3.00
May 28 Gave to Church, 25¢

May 29 School club, 50¢
May 30 Gift for Mother, $2.50

7. If a special-payment column cashbook is not provided for your use, rule a cashbook with distribution columns similar to Figure 40. Enter the following receipts and expenditures of a boy or a girl at college.

September 15 Cash on hand, $45.20
September 15 Received from father $150.00
September 15 Tuition fee, $60.00; laboratory fees, $25.00
September 15 Board and room, two weeks in advance, $24.00
September 15 Baggage transfer, $1.00
September 17 Textbooks, $8.00; stationery, 75¢
September 18 Theatre, 75¢; college club, $2.50; shoe shine, 10¢; laundry, 50¢
September 19 Car fare, 25¢; laboratory apron, 50¢
September 20 Post cards, 30¢; stamps, 25¢
September 22 Collars, $1.00; shoe shine, 10¢
September 23 Church, 25¢; car fare, 25¢
September 25 Candy, 50¢; theatre, $1.00; magazine, 35¢
September 27 Received from Uncle Tom, $10.00
September 29 Laundry, 75¢; shoe shine, 10¢
September 29 Picnic, $1.50

Balance the cashbook, as shown in Figure 40.

8. Continue with the items of money received and spent during October.

October 1 Board and room, two weeks in advance, $24.00
October 3 Club dues, 50¢; books, $2.50
October 5 Dentist, $2.00; cushions for room, $5.00
October 8 Shoes, $5.50; films, 50¢; laundry, $1.00
October 10 Car fare, 50¢; football game, $1.00
October 14 Church, 50¢
October 17 Belt, 75¢; photo developer, 30¢
October 18 Received for tutoring, $5.00; shoe shine, 10¢
October 20 Class dues, $1.00; stamps and paper, 50¢
October 24 Photo supplies, $1.00; theatre, $1.00
October 26 Necktie, $1.00; loan to E. R. Smith, $10.00
October 30 Laundry, $1.50; trip home, $5.50

Balance the cashbook and total the distribution columns.

9. You have been elected treasurer of the Athletic Association of your school. Record the following cash receipts and expenditures.

September 1 Balance of cash on hand, $75.25
September 10 Received from season tickets, $41.75
September 20 Received from season tickets, $25.00

September	25	Paid for officials, $15.00
September	26	Paid telephone charges, $1.25
October	1	Paid for supplies and equipment, $75.50
October	2	Paid for car fare, $6.75
October	3	Received from season tickets, $25.40
October	7	Paid for telephone charges, $1.50
October	9	Received from gate receipts, $49.60
October	9	Paid for officials, $15.00
October	11	Paid for supplies and equipment, $41.10
October	17	Paid for marking out field, $4.50
October	25	Received from gate receipts, $68.90
October	25	Paid for officials, $15.00
October	29	Paid for car fare, $11.22
October	29	Paid for doctor's services, $10.00
November	5	Received from gate receipts, $98.10
November	5	Paid for officials, $20.00
November	8	Paid for supplies and equipment, $75.00
November	13	Received from gate receipts, $110.15
November	13	Paid for officials, $20.00
November	15	Paid for supplies and equipment, $123.00
November	17	Gift to caretaker of field, $25.00
November	17	Paid sundry bills, $11.21

Balance the cashbook and make up a report for the football season similar to Figure 41.

10. Prepare the ledger account for the following transactions with L. L. Tucker, 114 South Jackson Street.

February	1	Sold him merchandise amounting to $65.20
February	5	Received cash, $50.00 on account
February	9	Sold him merchandise amounting to $41.20
February	15	Received cash, $15.20 for bill of February 1
February	22	Received cash, $25.00, on account
February	27	Sold him merchandise amounting to $55.00

11. Prepare the ledger account for the following transactions with J. B. Clyde, 2797 Monroe Street.

August	1	Purchased merchandise from him, $149.16
August	5	Paid cash, $100.00 on account
August	9	Purchased merchandise from him, $65.24
August	11	Paid cash, $49.14, the balance due on invoice of August 1
August	17	Purchased merchandise from him, $36.17
August	24	Paid cash, $50.00 on account
August	29	Purchased merchandise from him, $72.11

12. Prepare an itemized inventory of any articles of value in the following rooms at home: the living room; the dining room; a bed room; the kitchen.

Chapter VII

REFERENCE BOOKS AND HOW TO USE THEM

87. Two kinds of knowledge. In his *Autobiography*, Benjamin Franklin wrote: "If a man empty his savings into his head, no man can take it away from him. An investment in knowledge always pays the best interest." Franklin might have added that if this knowledge is not put to use in the daily life of the individual, it will be forgotten; and he might have gone on to say that the next best thing to knowing a fact is to know where to find it.

88. Reference books classified. Much useful information has been collected, classified, and printed in reference books. The most valuable of these for men and women in all walks of life, aside from books pertaining to their particular jobs, are dictionaries, directories, and books of general information. To these must be added credit-rating books, of chief interest to the business man and woman.

89. Dictionaries. Always refer to a dictionary whenever there is any doubt about the spelling, pronunciation, derivation, or meaning of a word. After each definition, many dictionaries add a list of synonyms and antonyms. These enable a writer to choose the word which conveys his exact meaning. So helpful are these lists that separate books of synonyms and antonyms have been published. In addition to the many good dictionaries of *meanings* there are several of *ideas*, the best of which is Roget's *Thesaurus*.

90. How to find a word in a dictionary. Turn to the page in the dictionary containing the word *ball*. (Fig. 46.) Observe that the alphabetical sequence is maintained to the last letter.

Name the words printed at the top of the page, to the left, and to the right. Where else do these words occur on the page? Why are they placed at the top? In order to find a

Fig. 45. A view in the reference room of a public library.

word in a dictionary, locate the page by the guide words, then run the finger down the column to the word desired.

91. How to pronounce a word from the dictionary. Find in the dictionary the word *balloonist*. In Figure 46 it appears as follows: bal-loon-ist (bă-lo͞on′ĭst). Why is the same word printed twice? The little signs over the vowels are called *diacritical marks*. They show that *ă* is pronounced as in *lo-cal*, *o͞o* as in *boot*, and *ĭ* as in *sin*. The key and illustrations for pronunciation may be found at the bottom of the page. How many syllables in bal-loon-ist? Pronounce each separately.

When a word must be divided because the limit of the line is reached, always break it at the end of a syllable, and never divide a single-syllable word, such as *cat*, *horse*, *man*.

Observe the little *mark* after the syllable, lo͞on′. This is called an *accent mark*, and means that *balloonist* is pronounced bal **loon** ist. Sometimes a word has two accented syllables, as

ball (bôl), *n.* a social gathering of persons of both sexes for the purpose of dancing; a round body; any mass resembling a sphere; a round body used for play; a bullet; any roundish part of the body; a game played with a round body, which is pitched, kicked, or knocked; the globe or earth: *v.t.* to make into a round mass: *v.i.* to form or gather into a round mass.

bal-lad (băl′ăd), *n.* a short, popular, narrative poem, adapted or suitable for reciting or singing.

bal-last (băl′ăst), *n.* heavy material carried by a ship to balance or steady her; sand carried in the car of a balloon to steady it; gravel filling the space between the sleepers or ties of a railway; that which gives strength to the character: *v.t.* to place heavy material in or on in order to steady or balance; strengthen or give steadiness to.

ball bear-ing (bôl bâr′ĭng), a method of reducing friction by causing a shaft to rest upon or be surrounded by loose balls of metal partly contained in sockets and turning with the shaft.

bal-let (băl′ā″), *n.* an artistic dance; a complete pantomime or play in which a story is told, and actions, characters, and passions are shown by gestures, accompanied by music and dancing; the company of persons who perform the dance or the play.

bal-lis-tics (bă-lĭs′tĭks), *n.* that branch of gunnery which deals with the motion and impact of projectiles, with the forces involved.

bal-lo-net (băl″ō-nĕt′), *n.* a small balloon in a larger balloon for controlling the ascent or descent, and for maintaining pressure on the outer envelope to prevent its collapse. Also, **balloonet.**

bal-loon (bă-lōōn′), *n.* a large bag of prepared silk or other material, which, when filled with a lighter-than-air gas such as hydrogen, ascends and floats in the atmosphere; a large, inflated ball: **fire balloon,** a hot-air balloon, inflated from fire attached beneath.

bal-loon-ist (bă-lōōn′ĭst), *n.* one who makes, or ascends in, a balloon; an aëronaut.

bal-lot (băl′ŭt), *n.* originally, a little ball used for secret voting; a ball, ticket, or paper by which a secret vote is registered or taken; the system of secret voting by the use of a printed form; election by secret vote; also, the total number of votes cast or recorded: *v.t.* and *v.i.* to vote or choose by using a printed form, or ticket.

balm (bäm), *n.* an oily, gummy substance coming from certain trees or shrubs, used for healing or soothing; balsam; anything which heals or soothes pain; a healing ointment.

āte, senāte, râre, căt, locăl, fär, ăsk, părade; scēne, ĕvent, ĕdge, novĕl, refēr; rĭght, sĭn; cōld, ōbey, côrd, stŏp, cŏmpare; ūnit, ûnite, bûrn, cŭt, focŭs, menü; bo͝ot;

Fig. 46. A section of a page from a dictionary.

ballonet (băl″ŏ-nĕt′). The stronger, or primary accent, is indicated by a single mark, the weaker, or secondary, by double marks.

92. **How to define a word from the dictionary.** Read the definition of the word *ballot.* How many different shades of meaning are given for this word in your dictionary? One large dictionary lists eleven different ways in which this one word may be used. One can determine from such a list whether his usage of *ballot* in speech or in writing is correct.

93. **Directories.** There are many different kinds of directories, of which the city directory and the telephone directory are the most generally used.

94. **The city directory.** A directory of any one of our large eastern cities is typical of all city directories. It has three sections. Section 1 contains information relating to

LAW	LAWRANCE
—Patk lab h 3678 Stanton Falls	—Elizabeth hairdresser 533 Tabor rd
—Patk soapmkr h 2209 Shields	—Elizabeth K T N h 9423 Bsltn av Bsltn
—Richd W machst h 5418 Norfolk	—Ellen wid Jno h 3357 Argyle
Lawmaker Chas molder h 2600 Pine	—Emma wid Albert h 2106 N Percy
Lawn Albert F condtr h 7417 Limekiln pk	—Emma wid Edw T h 1527 Ruan Fkd
— Dry-Ette Electric Washer Agency Geo Young mgr 1715 Chestnut	—Emma J artist h 1954 Bridge Fkd
	—Eva h 3705 Brown
—Helen C teacher h 847 N 20th	—E Mrs h 624 N 21st
—Jennie saleswoman h 1824 N 17th	—Fitzgerald h 1525 Lombard
—Wm J condtr h 1335 N Marvine	—Florence clk h 2115 N Park av
Lawney Geo h 2605 S Broad	—Frank driver h 5013 Jackson Fkd
—Geo A electn h 2959 N Bailey	—Frank lab h 1931 N Ringgold
Lawnside (The) (Chas F Liscom) apts 1441 N 16th	—Frank pulleymkr h 3936 Priscilla
	—Frank M phys h The Touraine
Lawnton (The) apt NW c 66th av & N 8th Oak Lane	—Geo clk h 5547 Chester av
	—Geo driver h 407 E Penn Gtn
Lawnview Cemetery office 1722 Arch	—Geo gardener h SE c 9th & Fishers av
Lawrance Christian nurse h 4035 Parrish	—Geo lab h 230 S 11th
—Edw S h 7140 Cresheim rd Gtn	—Geo laundry h 2926 N Camac
—Viola saleswoman h 2435 S Woodstock	—Geo machst h 2455 N Marston

Fig. 47. A section of a page from a city directory.

the city and state governments, streets, public buildings, schools, hospitals, churches, lodges and other societies, newspapers, places of interest, and other civic facts of note. Section 2 contains an alphabetical list of all persons, 18 years and over, living in the city at the time the directory was prepared, together with their occupations and addresses. (Fig. 47.) Section 3, the classified business directory, lists alphabetically businesses, professions, and occupations, and sets down under each the names of persons engaged in the particular line of work.

95. How to find a name in the city directory. The method is very similar to the method of finding a word in a dictionary. Read again Section 90. Then examine Figure 47. Suppose that Richard W. Law's address is desired. What is the guide word? Where is it placed? Why? *Richard W.* appears after *Patrick* Law but before *Charles Lawmaker.* Why? What is Richard Law's occupation? his home address?

96. The telephone directory. The style and size of the telephone directory varies with the locality, but, in general, it is divided into four sections. Section 1 contains information necessary for the proper use of the service. Section 2 is an alphabetical list of local subscribers with addresses, phone

numbers, and, in some cases, occupations. (Fig. 48.) Section 3 is a classified business directory. (Fig. 49.) Section 4 is an alphabetical list of suburban subscribers similar to Section 2. Names in this directory are found in the same way as words in the dictionary, or names in the city directory.

97. Books of general information. These include atlases, gazetteers, encyclopedias, census reports, the *World Almanac*, the *Statesman's Year-Book*, and the various volumes with the general title of *Who's Who*.

98. Atlases. The dictionary defines an atlas as a "collection of maps bound in a volume." But an atlas should also contain a full index of all place names shown on the maps together with map finders. To illustrate: The morning paper contains a news item about Verkhoyansk. Now this town in winter is said to be the coldest place in the known world. But where is it? A well indexed atlas shows the town as follows: "Verkhoyansk (100 Q2)." The number *100* is the map page and *Q 2* is the map finder, indicating the section of the page in which the place name is found.

Baker—Baltimore

Baker Jos M rl est 730 S 10.....KEN wood-1659
Baker Jos M r 5127 Baltimore..KEN wood 7704-W
Baker Jos M r 318 N 20.....COL mbia-1903
Baldwin Levi D r 406 Lansdwn....BEL mnt-6735-W
Baldwin Lynotype Co 500 N Brd....★POP lar-4800
Baldwin Mfg Co uphl spc 2553 N2...MAD ison-1745
Baldwin Margaret r 1628 S Cnstg.KEN wood-7592-W
Baldwin Norman B r 544 S 45....KEN wood-1786-J
Baldwin R F 1011 Canton .....WAL ton-4162
Baldwin R F r 5813 N Atlantic..WYO ming-7663-W
Baldwin Raymond J r 5908 N Deal.FRA nkfd-0333-W
Baldwin Russell C r 1710 N 5.....DIA mond-6648-W
Ball Wm C C elec sup 1854 E Aleghny.GAR ton-4782
Ball Wm C C cigars 3120 Rorer.....GAR ton-4099
Ball & Co Serv Sta 856 N Broad.....POP lar-3804
Ballagh J C Jackson 140 S 20 .....SPR uce-8500
Baltimore House 1438 Lombard .....ORE gon-4475
Baltimore Life Ins Co 908 Walnt.....WAL ton-1992
Baltimore Market 5517 Balto.....KEN wood-8294
Baltimore Processing Co Wilson bl....LOM brd-1519

Fig. 48. A section of a page from a telephone directory.

99. Gazetteers. The index of an atlas is really a kind of gazetteer, that is, a dictionary of geographic names. But to be most helpful, a gazetteer must contain other facts as does the American Newspaper Annual and Directory, commonly known as *Ayer's Annual*. This book is published yearly, and gives the name, location, size, transportation facilities, industries, items of special interest, and newspapers of the towns and cities of the United States, Canada, and certain of the

West Indies; and also a map and a short account of each state, province, and country.

100. Encyclopedias. An encyclopedia is a work containing information on nearly all subjects. There are several good encyclopedias both for younger and older people. Give the title of one of these. What additional titles are in the school library? the public library nearest the school? A very good sort of encyclopedia is one with loose-leaf pages, which can be added to from time to time, thus keeping the work constantly up-to-date.

101. Census reports. Volumes of statistics about the people of the United States, the work they do, and the goods they produce are issued by the Government every ten years. These are Census Reports. In addition, many states publish accounts of their industries and other activities, in some cases as often as once a year. Such books may be consulted in the public documents departments of our free libraries, where skilled librarians are eager to help callers to find the facts which they are seeking.

Acetylene

AIR REDUCTION SALES CO
1924 Allegheny.TIO ga-5160

Acetylene Appliances

PRESTO-O-LITE AGC 1343 Broad...SIL ver-0928

Acetylene Generators

AIR REDUCTION SALES CO
Gtn & High.TIO ga-7365
DAVIS-BOURNONVILLE CO
Gtn & High.TIO ga-5365

Acoustic Instruments

Acousticon Co Comnwlth bl.....RIT nhse-2350
Genl Acoustic Co Frnkln bl.....SPR uce-7260
Globe Ear-Phone Co Croner bl.....SPR uce-6138
Globe Phone Mfg Co Croner bl.....SPR uce-6134
Mega Ear Phone Co Inc 1422 N 20.....SIL ver-8808
Morley Co 26 S 5.....SPR uce-6093
Vibro-Sono Co Inc Lincoln bl.....SPR uce-4067

Actuaries

BURNS & SPEAKMAN Bourse.....CAR son-2129
Huggins Geo A Wilson bl.....WAL nut-1836

Adding Machines

Add-Index Corp 1208 Girard.....SIL ver-7350
Adder Machine Co 1035 Almond.....WAL nut-4258
Adem Devices Inc 329 N 10.....MAR ket-7081
Allen S W Co 20 S 18.....SPR uce-8654
BARRETT ADDING MACHINE CO
24 & Kenwood SPR uce-4471
Brunsviga Calcultng Mch Co Lnd Ti bl.SPR uce-9074

Fig. 49. A section from a classified business directory.

102. World Almanac. This useful book of facts is published every year, and may be purchased at bookstores in nearly all parts of our country. Its nine hundred or more

pages contain information and statistics on many different industries and activities of modern times.

103. The Statesman's Year-Book. This book is published every year, and is the standard reference book on the countries of the world. It gives reliable information and statistics about the government, religion, education, money, industries, production, trade, people, and chief cities of each country. It also lists the titles of the most useful books about each country.

104. Who's Who. There are several books with this title. The two best known, however, in our country are *Who's Who* and *Who's Who in America*. They give brief concise biographies of distinguished men and women, featuring such facts as birthplace, age, parentage, education, marriage, politics, occupation, society or club membership, and notable achievements. *Who's Who in America* confines itself to the biographies of prominent Americans, while *Who's Who* is fairly world wide in its scope.

Was—DETROIT, MICH.

W

W. & Y. Garage		M	
Waber G. & Co	Confec	M	3½
Wachs Frank	D G	H	3
Wachtel Mrs. Emma	Florist		4
Wacken Geo	Gro.	J	3½
Wacken Henry C	Sal	G	3½
Wackerman Co. The	B & S	K	3
Wadsworth Tailoring Co		M	4
Waechter Plumbing Co		J	3
Waenke Grocery Co		F	3
Wagner A. M	Elec Gds	K	3½
Wagner Albert	Meat	L	3½
Wagner Arthur L	Drugs	C	1½
Wagner C. E	Jwlrs	A	A1
Wagner Chas. H	Bsmith	L	3½
Wagner Edgar	Confec	M	4
Wagner Frank A	D G	C	2
Wagner Geo	Hardware	F	2½
Wagner Harry	Bak & Gro		4
Wagner James	F & F	H	4
Wagner John R	Tailor	E	2
Wagner W. M	Gro	D	1½
Wahl Electric Co		AA	A1
Wahl Miss Emma	Confec	H	3

Fig. 50. Names and ratings as they appear in a credit-reference book.

105. Mercantile agencies. Emma Wahl, who keeps a small confectionery store in Detroit, Michigan, orders on December 5 Christmas candy to the value of $500 from the Chicago Candy Company, Chicago, Illinois. She is unable to pay cash but writes that she will send her check on February 15. When the order reaches Chicago, the credit manager notices that it is for a larger amount than usual and for a longer term of credit. What shall he do? Shall he insist that she pay cash and perhaps lose the sale, or shall he ship the goods on credit and assume the loss if she fails to pay and the

KEY TO RATINGS

Subscribers are urged to consult the latest detailed reports in our possession in every case involving credit. Over 4,000 changes are made each business day.

Left-hand Column Estimated Pecuniary Strength			Right-hand Column General Credit			
			High	Good	Fair	Limited
AA	Over	$1,000,000	A1	1	1½	2
A+	Over	750,000	A1	1	1½	2
A	$500,000 to	750,000	A1	1	1½	2
B+	300,000 to	500,000	1	1½	2	2½
B	200,000 to	300,000	1	1½	2	2½
C+	125,000 to	200,000	1	1½	2	2½
C	75,000 to	125,000	1½	2	2½	3
D+	50,000 to	75,000	1½	2	2½	3
D	35,000 to	50,000	1½	2	2½	3
E	20,000 to	35,000	2	2½	3	3½
F	10,000 to	20,000	2½	3	3½	4
G	5,000 to	10,000		3	3½	4
H	3,000 to	5,000		3	3½	4
J	2,000 to	3,000		3	3½	4
K	1,000 to	2,000		3	3½	4
L	500 to	1,000			3½	4
M	Less than	500			3½	4

Fig. 51. A key to the credit ratings as they are listed in a credit-reference book.

goods are returned after the Christmas demand is satisfied? Fortunately he need not depend entirely upon his own judgment in reaching his conclusions, for there are mercantile agencies that investigate the character, capital, and credit of business establishments and report their findings to their patrons in the form of credit-rating books and special reports. The two best known agencies in the United States are The Bradstreet Company and R. G. Dun & Co.

106. Credit-rating books and special reports. The credit manager for the Chicago Candy Company consults his credit-rating book. He turns to the section headed "Michigan," then to "Detroit," and finds "Wahl, Miss Emma" (Fig. 50) entered in its correct alphabetical position under the city's name. The credit manager notes that Miss Wahl's rating is "H 3." He turns to the *Key to Ratings*. (Fig. 51.) How much is Emma Wahl estimated to have invested in her

business? What is her credit standing? Shall he ship the candy to her on account? The credit manager is undecided. He determines, therefore, to ask R. G. Dun & Co. for a special report on Miss Wahl's present business condition and prospects. The reply is favorable. Miss Wahl gets the candy. The Chicago Candy Company makes a safe sale.

NAME					Check to stop credit	FILE NUMBER
Wahl, Miss Emma						172
CITY			STATE			CLASS
Detroit			Michigan			4 A
YEAR	SALES	RATING DUN	RATING BRAD.	LEDGER	PAYS	TERMS
1921	300	J–4	W–F	357	Prompt	30 days net
1922	250	J–3½	W–E	357	Fair	LIMIT 500 00
1923	400	H–3	V–D	584	"	SALESMAN Wilson
1924	500	H–3	V–D	584	Prompt	REFERENCE First Nat'l Bank
1925						REMARKS
1926						
1927						
1928						

Fig. 52. A credit-rating card.

R. G. Dun & Co. performs a service for which it will receive payment.

107. Credit rating cards. The credit manager has one of his stenographers enter the information from Dun's special report on Emma Wahl's credit rating card, which now contains the entries shown in Figure 52. The card is then filed for future reference.

QUESTIONS

1. "Knowledge is of two kinds." Explain which is the more important kind. 2. Name the three main classes of reference books, and give a title in each class. 3. Find a word in your dictionary. How many seconds did you require? Try again with another word, and lessen your previous record. 4. Find in your dictionary definitions for: *synonym, antonym, diacritical, accent, atlas, gazetteer, encyclopedia.* 5. How does the telephone directory differ from the city directory? 6. Name ten books of general information. Give a word of explanation about each. 7. How do mercantile agencies assist business men? 8. What are map finders? Draw a rough sketch map of the United States. Locate your home. Show by map finders how to locate the place name.

TOPICS FOR DISCUSSION AND INVESTIGATION

1. Pay a visit to the public library nearest your home. Find from the librarian where the Reference and Public Document Section is located. Why do the books not circulate? 2. Report to your class

on other kinds of directories not mentioned in Section 93 but found in the public library. 3. What facts of interest can you find about the job of town crier in the olden times? 4. Why was a stranger so welcome at the firesides of Colonial America? Would he be equally as welcome today? Why? 5. Make a list of at least three titles under each of the following headings: Dictionaries, directories, atlases, gazetteers, encyclopedias. 6. What methods can you suggest for securing credit information other than mercantile agencies?

PROBLEMS

1. Arrange each of the following groups of words in dictionary order:

(*a*)

wrong	wolverine	woodcock	wood
window	woman	woody	which
wolf	wondrous	wolves	witch
woodchuck	wore	work	with
woolen	white	word	wrangle
worm	wonder	woodcut	world
worship			

(*b*)

speech	sparrow	spaghetti	spring
specimen	spectacle	specify	square
spear	special	speak	south
spasm	spacious	spanking	soul
spark	spank	sparkle	some
space	spatter	spade	squirrel
spaniel			

2. Find from your dictionary the pronunciation of the following words.

Explain the diacritical marks that are used.

finance	romance	comparable	inquiry
chauffeur	address	Italian	interesting
combatant	apparatus	allies	mischievous
height	debris	route	detour
financier	radiator	idea	column

3. Find a list of synonyms for each of the following:

help	strike	settle	faithful
entice	timid	intrepid	annoy
debate	hasten		

4. From the dictionary select the definition of each of the italicized words below which will best suit the meaning of the sentence containing it.

A. He was *subjected* to physical punishment.

B. I *submit* this report for your consideration.

C. We are in a state of educational *transition.*
D. The boys used a *transit* in laying out the athletic field.
E. The factory was built in a section of poor *transit* facilities.
F. The document needs only your *subscription.*
G. The disease has reached an *acute* stage.

5. Here is a list of topics. Can you give the title of the book in which each is found? (*a*) The name of our Ambassador to France. (*b*) The leading facts in the life of the President of the United States. (*c*) The location of Henley, England. (*d*) The location of the city of Tilden. (*e*) The winner of the American League baseball championship in 1924. (*f*) The amount of the public debt of the United States. (*g*) Information about Westminster Abbey. (*h*) The present rate of exchange of the English pound. (*i*) Information on the following topics: Panama Canal, General Pershing, Alexis Carrel, Theodore Roosevelt, Jane Addams, Washington Monument in Washington, location of Lausanne. (*j*) Facts about the Statue of Liberty, New York Harbor. (*k*) Names of the members of the President's cabinet. (*l*) Present market value of Liberty Bonds. (*m*) Description of the Lincoln Memorial, Washington. (*n*) Name of the largest vessel afloat. (*o*) Name of the leader of the New York Symphony orchestra; the Boston Symphony Orchestra; the Philadelphia Orchestra. (*p*) Number of amendments to the constitution. (*q*) Salary of the President of the United States. (*r*) Name of the Chief Justice of the U. S. Supreme Court. (*s*) Date of organization of the Boy Scouts of America. (*t*) Capital of each of the following countries: Czechoslovakia, Java, Yugoslavia, Liberia, Albania. (*u*) The population of Detroit, Michigan. (*v*) The occupation employing the greatest number of women. 6. Find the credit rating of the following companies whose names are given in Figure 50: Wahl Electric Company, Arthur L. Wagner, W. & Y. Garage, George Wacken, James Wagner, George Wagner. 7. With the help of your telephone directory and city or county directory find: (*a*) The address and business of each of ten persons whose names will be given to you by your teacher. (*b*) The location of certain streets which will be designated by your teacher. (*c*) The location of the most prominent churches, the largest hospitals, the principal colleges and public buildings in your city or county. (*d*) The names, addresses, and telephone numbers of three physicians in your neighborhood. (*e*) The name and address of a shop where animal pets are sold. (*f*) The name and address of a plumber near your home. (*g*) The names, addresses, and telephone numbers of three dealers in paper drinking cups. (*h*) The names and addresses of two places convenient to your home where radio apparatus may be bought. (*i*) The names, addresses, and telephone numbers of three places which handle athletic equipment.

Chapter VIII

FILING

108. Filing devices. For the safe and orderly keeping of records in such a way that they may be had easily and quickly when needed, filing devices have been perfected. Those in most common use are the spindle file, the box file, the loose-sheet cabinet, the Shannon file, and the vertical file.

109. The spindle file. If you drive a nail through a small piece of board you will have a spindle file. If you write "1," "2," "3," "4," "5," on as many slips of paper and impale them in order on the nail, you have used a spindle file. If you try to remove the bottom piece without either tearing the sheet or taking off the other four, you will realize the disadvantages of a spindle file. Name its advantages. Figure 53 shows a spindle file such as is sold in the stores. It is used to hold papers temporarily for later classification.

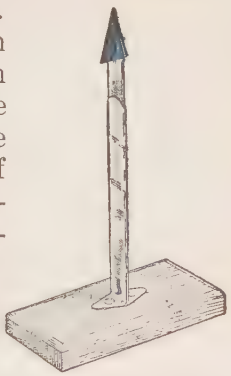


Fig. 53. A spindle file.

110. The box file. Secure a small cardboard box. Cut twenty-six sheets of paper to fit. Mark each with a letter of the alphabet. Place these index sheets in the box. As letters come to your home, file them under the paper containing the first letter of the sender's surname. You now have a box file with an alphabetic index.

Those sold in the stores (Fig. 54) are usually made of heavy cardboard, have the front as well as the top hinged, carry tabs on the index sheets to show more plainly the letters, numbers, or names, and come in sizes to hold ordinary business letter paper without folding. When the volume of correspondence is small, box files are satisfactory; when it is large, other types of filing devices have been found more practicable.

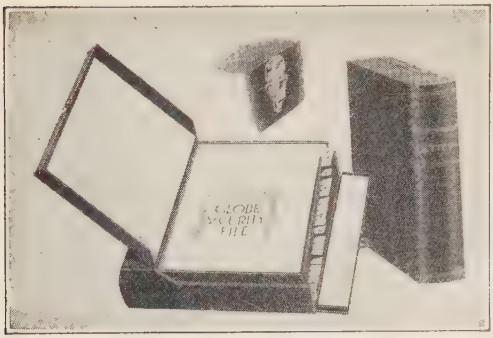


Fig. 54. A box file.

111. The loose-sheet cabinet. Picture a cabinet with compartments each of which contains a box file laid flat. Imagine each file built more like a drawer (Fig. 55) in order to fit its compartment snugly, and to give a more pleasing appearance. If you open a drawer (Fig. 55) you will notice the index sheets and the compressor spring. Of what use is the index? the wire spring clasp? the labeled card? Why has the drawer but three sides? This loose-sheet cabinet is an improvement over the box file. An entire drawer, however, must be taken out to file or to remove a paper; documents are apt to fall out and be lost, and the capacity is small in comparison with the floor space which the cabinet occupies.

112. The Shannon file. Figure 56 shows a Shannon file. Place the blunt end of a pencil on each of its parts; the smooth board with its securely fastened double arches which open laterally, and the index sheets. Papers are filed in the following way: Two holes are punched by a Shannon perforator at the top of each sheet to be filed; the index sheets are loosened by moving a slide at the base of the arches, and pushed over the arches to and including the one wanted;

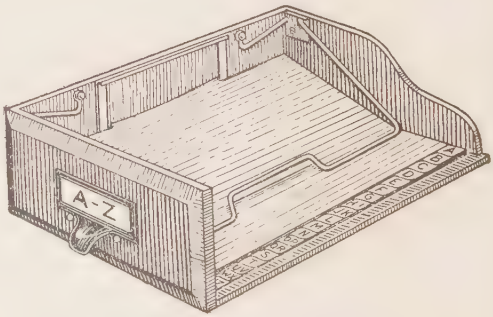


Fig. 55. Flat or loose sheet drawer.

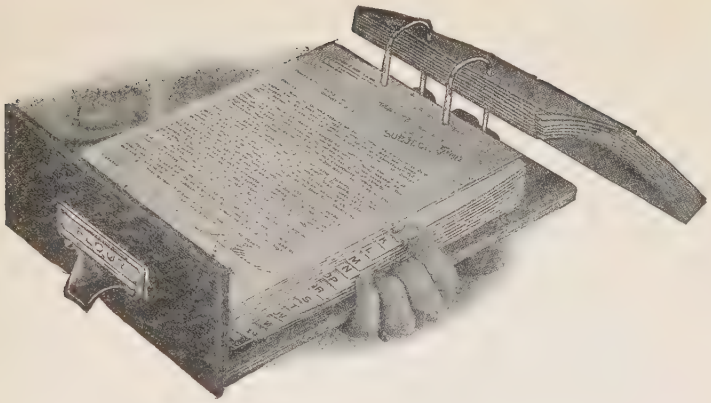


Fig. 56. A Shannon file.

the arches are opened and the perforated letter head is placed on the spindles; the arches are closed and the index sheets are returned to their original position.

This file has a number of good features. The papers are fastened securely and are held in place by steel arches. They may be referred to without removal. When no longer needed, they may be taken off and placed in a permanent file. The complete device may be carried about readily. The Shannon file, however, is impractical where the correspondence is large. Many stores and factories use this file to keep track of orders to be filled and merchandise to be received.

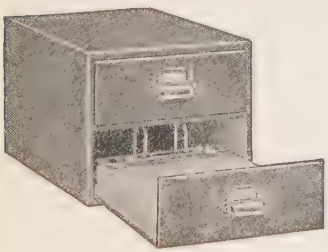


Fig. 57. A Shannon filing cabinet.

113. The vertical file. In the filing devices thus far described business papers are laid flat. In the vertical file, they stand on edge usually in folders and behind guides.

114. Equipment. The necessary equipment consists of one or more vertical filing cabinets, guides, and folders.

Fig. 58. The central filing department of a large automobile manufacturing plant.

115. **Vertical filing cabinets.** These cabinets may be had in wood or metal. They consist of a frame with drawers. (Fig. 63.) Within each drawer is a movable partition, called a follow-block or compressor, which keeps the contents in an upright position.

116. **Guides.** How many guides are shown in Figure 59? What are printed on the guide projections? Each projection might have contained a number or a name. Any designation is satisfactory that gives a clue to the

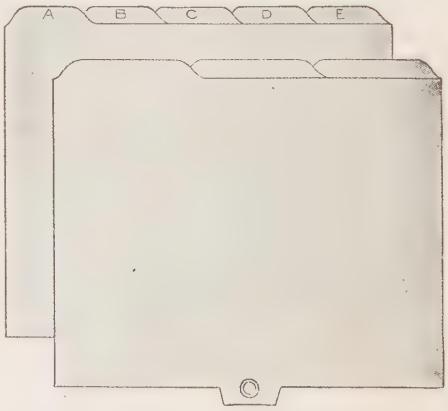


Fig. 59. Vertical filing guides.

nature of the material filed between a guide and the one next following. Guides are usually made of cardboard, and are cut to fit the various sizes of vertical file drawers. See the eyelet portion. This is called a *rod projection.* The little knob below the draw handle (Fig. 63) is on the end of a rod which is pulled out to let the guides drop into place, and then is pushed through the eyelets to hold them in position.

Look again at the tab projections. (Fig. 59.) How are they cut so as to permit one to be seen behind the other? This alternate arrangement of tabs in successive positions is called *staggering.* "A" is said to be in *first position;* "B" in *second position;* and the card on which each is printed, *one-fifth cut.* Why? What is a half-cut guide? a third-cut guide?

Fig. 60. Straight-edge folder.

Fig. 61. Half-cut tab folder.

117. Folders. If you fold and crease a sheet of paper so that the back edge projects above the front, you will have made a *straight-edge folder.* (Fig. 60.) If you trim off all but a small section of the projecting edge, you will have made a *tab folder.* (Fig. 61.) If you crease the paper one quarter of an inch on each side of the original fold, you will have made an *expansion folder.* If you write "Arithmetic" on the tab and inclose your problems for one week, you will be using a folder.

Fig. 62. Expansion folder, tab cut.

118. Methods of filing. The four systems of filing most generally used are the *alphabetic, numeric, geographic,* and *subject.*

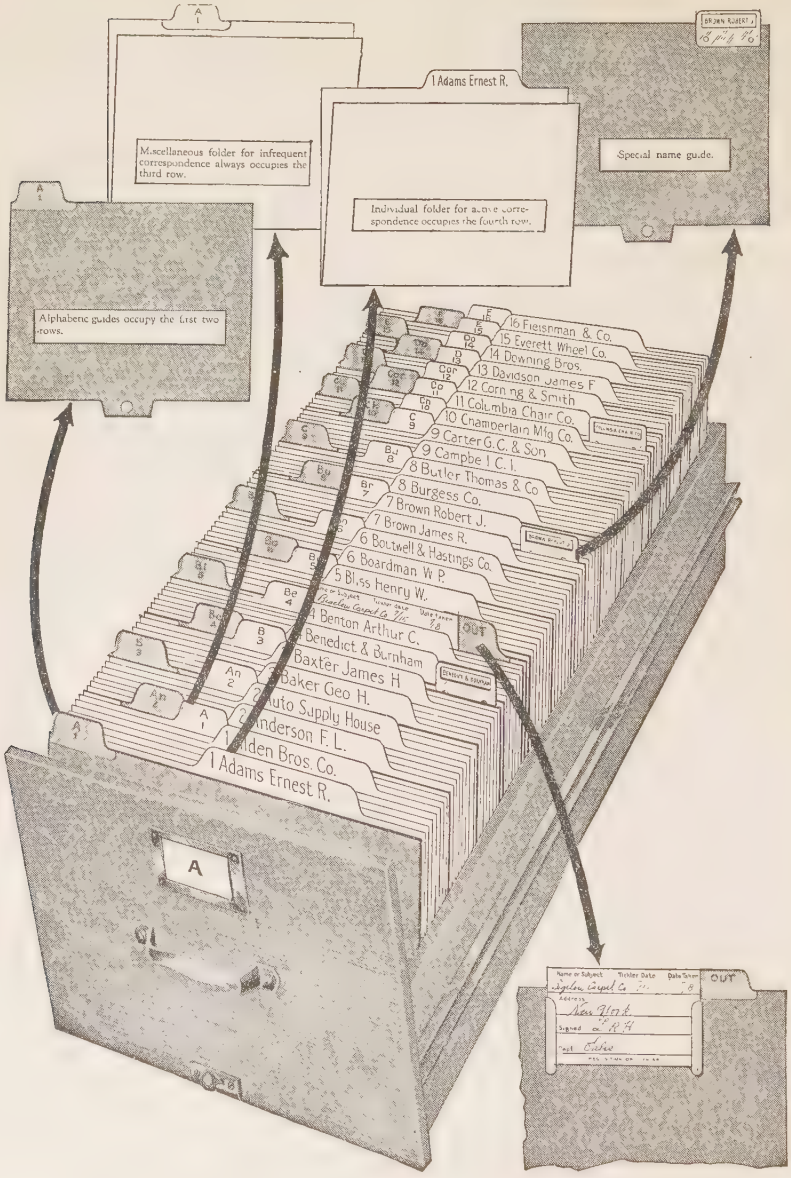

Miscellaneous folder for infrequent correspondence always occupies the third row.
1 Adams Ernest R.
Individual folder for active correspondence occupies the fourth row.
Special name guide.
Alphabetic guides occupy the first two rows.
16 Fleisman & Co.
15 Everett Wheel Co.
14 Downing Bros.
13 Davidson James F
12 Corning & Smith
11 Columbia Chair Co.
10 Chamberlain Mfg Co.
9 Carter G.C. & Son
9 Campbe l C. I.
8 Butler Thomas & Co
8 Burgess Co.
7 Brown Robert J.
7 Brown James R.
6 Boutwell & Hastings Co.
6 Boardman W. P.
5 Bliss Henry W.
4 Benton Arthur C.
3 Benedict & Burnham
Baxter James H
Baker Geo H.
Auto Supply House
Anderson F. L.
Alden Bros. Co.
1 Adams Ernest R.
A
OUT

Fig. 63. A vertical file drawer with alphabetic index.

119. Alphabetic filing. In its simplest form this system of filing requires a drawer, twenty-six guides each bearing a letter of the alphabet, and twenty-six folders, one behind each guide.

If a pupil were given a bundle of test papers to file in this drawer, he would place the arithmetic sheets in the folder behind the guide labeled "A," and the penmanship in the folder behind the guide labeled "P." Where would he put the geography papers? history? algebra? drawing? English? Spanish? hygiene? junior training for business? The folders he used are called *miscellaneous folders* (Fig. 63) for they may contain papers about more than one subject as do folder "A" and folder "H."

After the pupil has filed all the tests, folder "A" might contain seven arithmetic tests and three algebra tests. When business papers under any one topic or name increase beyond five, the best business practice demands that they shall be removed to an individual folder (Fig. 63), plainly marked with the subject name, and replaced in front of the miscellaneous folder from which they were taken. When an individual folder reaches its capacity (one hundred pieces) another folder should be prepared for the correspondence and placed in front of the old folder. This folder should show on its tab the period covered by the correspondence contained in it.

Efficient offices which use this method of filing always arrange business and other papers alphabetically by topic or name, and chronologically under the topic or name. They file letters, bills, or other documents according to the date received, the most recent always in front.

120. Indexing. Filing is the putting away of papers according to some plan for safe-keeping and convenience of reference. Indexing is the arrangement of the material which is to be filed.

121. Rules for alphabetic indexing. Supervisors of filing and librarians must learn many rules for indexing. The following are some of these rules:

(1) File all correspondence in directory order. This

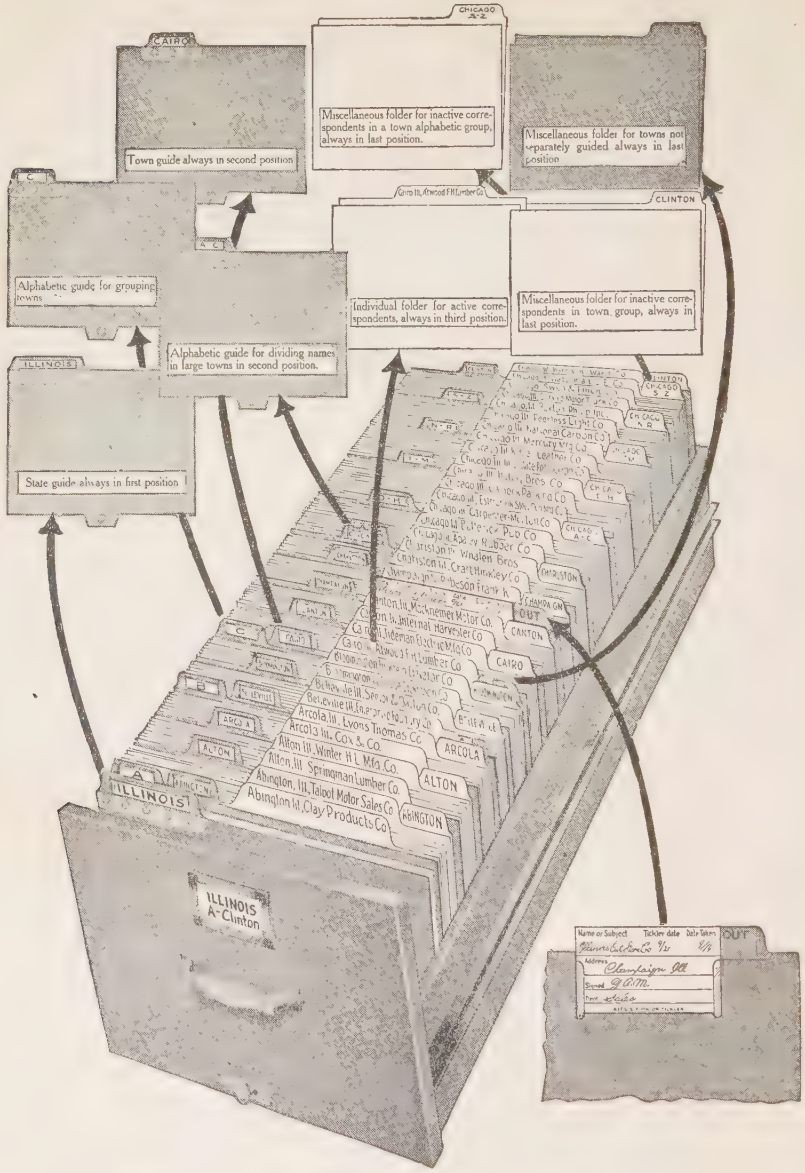

CAIRO
Town guide always in second position
Miscellaneous folder for inactive correspondents in a town alphabetic group, always in last position.
CHICAGO
Miscellaneous folder for towns not separately guided always in last position
Alphabetic guide for grouping towns
Alphabetic guide for dividing names in large towns in second position.
Individual folder for active correspondents, always in third position.
CLINTON
Miscellaneous folder for inactive correspondents in town group, always in last position.
ILLINOIS
State guide always in first position
ILLINOIS
A-Clinton
Name or Subject
Tickler date
Date taken
OUT

Fig. 64. A vertical file drawer with a geographic index.

means that the surname is placed first, then the given name, and then the rest of the name exactly as in a city or a telephone directory. Example:

Hale, Albert
Hale, Walter
Hale, William
Hamilton, J. William
Hamilton, James
Hamilton, John
Hamilton, John A.
Hamilton, John H.
Hamilton Theatre
Hamilton, Thomas
Hamilton Trust Company
Hamilton, W. S.
Hamilton, Walter
Hamilton & Brown

(2) If there is a duplication of surnames, those which have initials only will precede those which have given names with the same initial. Example:

Smith, H. Robert
Smith, Henry A.

(3) Surnames, if used alone or with a title only, should precede the same surname having initials or a given name. Example:

Miller
Miller, (Dr.)
Miller, R.
Miller, Robert

(4) Titles, such as Mrs., Dr., Prof., should be inclosed in parentheses after the given names and initials, and should be disregarded in filing unless there is a duplication of names; in such cases the one without a title is filed first. Example:

Foreman, John C.
Foreman, John C. (Dr.)

(5) (*a*) Names of companies, corporations, and institutions should be indexed and filed as written. Example:

General Electric Company
Rosenour & Sons
Pratt & Lambert
Odd Fellows Home

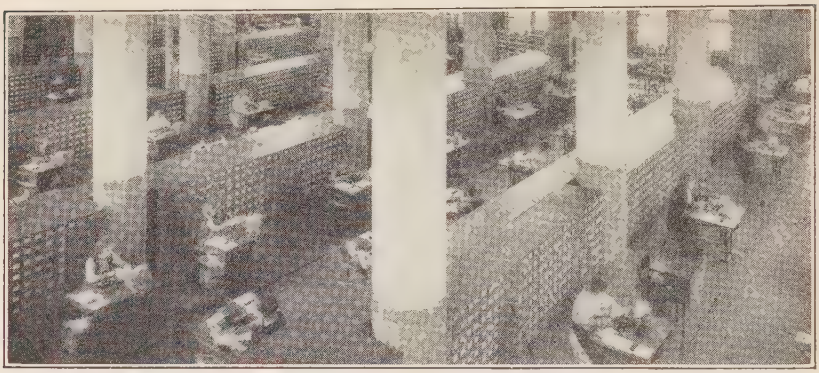


Fig. 65. Card index files containing the names and addresses of more than five million customers.

(*b*) When the name of an individual is part of the company name, the surname of the individual should be considered first. Example:

John B. Stetson Co. as Stetson, John B., Co.

(6) Abbreviations are treated as though they were spelled in full. Example:

St.	as	Saint
Jno.	as	John
P. R. R.	as	Pennsylvania Railroad

(7) Such words as "and," "for," and "the" are not considered in filing. In indexing, if "The" begins the title, it should be written at the end in parentheses. Example:

Home for Aged
Home Bakery
Home Knitting Mills (The)

(8) Name prefixes such as "Du," "O," "Van," should be considered as part of the surname both in indexing and in filing. Example:

DuPont	as	Dupont
O'Conner	as	Oconner
Van Buren	as	Vanburen

(9) The dictionary arrangement of "Mac" and "Mc" should be followed. Example:

Maas
Mable
MacAdam
Mayo
McAleer
Mead

(10) Compound geographic names should be indexed and filed as two words. Example:

New Jersey
New York
Newbern
Newton

(11) Names or titles beginning with numerals should be filed as though the numerals were spelled out in full. Example:

5th Avenue Hotel as Fifth Avenue Hotel

(12) When writing index cards for local correspondents, do not use the word "City" following the street number, but write the name of the city in full. Example:

John L. Smith	as	Smith, John L.
324 State St.		324 State Street
Chicago, Ill.		Chicago, Ill.

(13) Hyphenated surnames of individuals are treated as one surname. Hyphenated company names are treated as separate words. Example:

Cecil Spring-Rice	as	Spring-Rice, Cecil
Baird-North Co.	as	Baird North Company

(14) Bros., Son, Co., Ltd., Inc., are considered both in indexing and filing. Example:

Gimbel Bros.

(15) Sr., Jr., or 2d, appearing as part of a name are placed in parentheses in indexing.

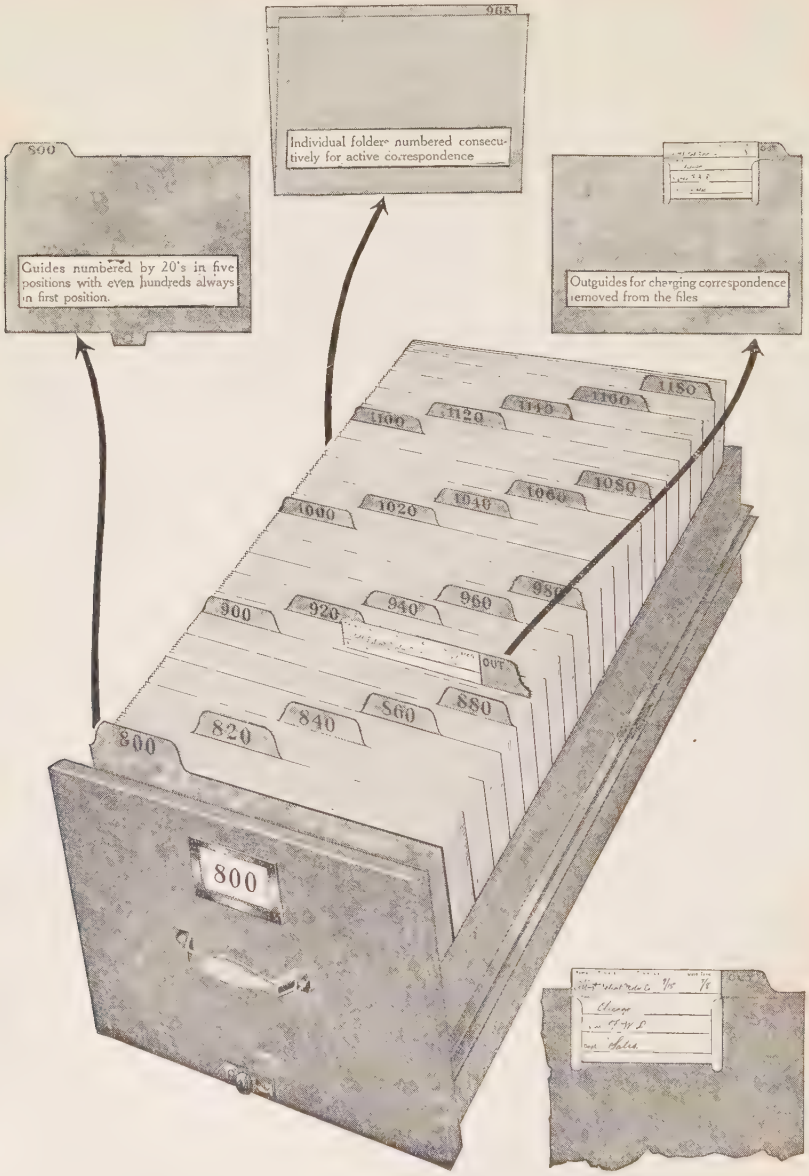


Fig. 66. A vertical file drawer with a numeric index.

Example:

Hammond, John (2nd)
Dawes, Henry (Jr.)

(16) Where the same name occurs with different addresses the material is filed alphabetically according to towns, the state being considered only where the town name is duplicated. Example:

Western Electric Co., Chicago, Ill.
Western Electric Co., New York City.
Western Electric Co., Philadelphia, Pa.
Western Electric Co., Springfield, Ill.
Western Electric Co., Springfield, Ohio.

(17) Papers pertaining to the federal government should be filed under the proper bureau or division name and under the name of the department controlling it. Example:

Department of Justice	U. S. Justice (Dept. of)
Weather Bureau	U. S. Agriculture (Dept. of) Weather Bureau

Papers pertaining to the state government or city government should be filed under the name of the state or city in question. Example:

State of Delaware	Delaware, State of
City of New York	New York, City of
Department of Education	Education (Dept. of)
State of Pennsylvania	Pennsylvania, State of
Interstate Commerce Commission	U. S. Govt. Interstate Commerce (Commission)

(18) If the names of publishers or persons financially responsible for periodicals are known, correspondence should be filed under these names with a cross reference under the name of the periodical. Example:

Saturday Evening Post. See Curtis Publishing Company

122. Numeric filing. Figure 66 shows a numeric file drawer with guides and individual folders. It looks like Figure 63; but the tabs on the guides are numbered instead of

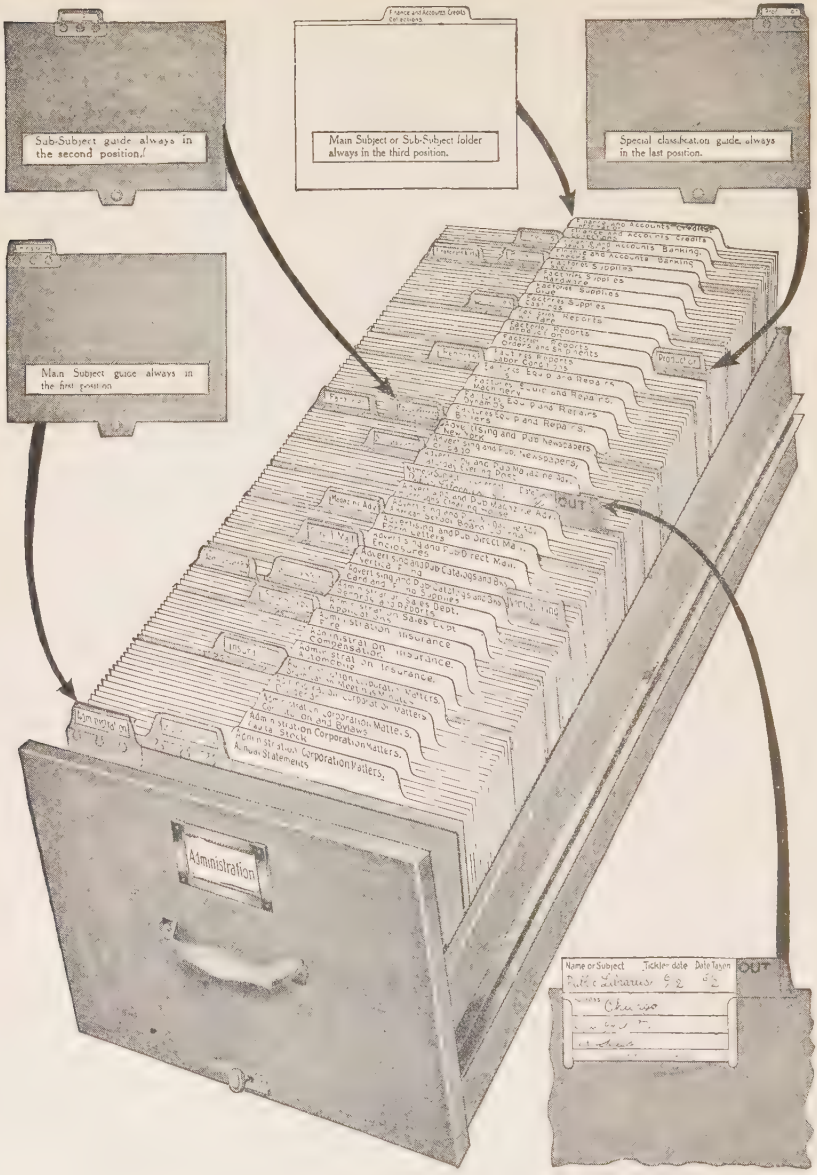

Sub-Subject guide always in the second position.
Main Subject or Sub-Subject folder always in the third position.
Special classification guide, always in the last position.
Main Subject guide always in the first position
Administration
Name or Subject
Tickler date
Date Taken
OUT

Fig. 67. A vertical file drawer with a subject index.

lettered, each individual folder bears a number instead of a name, and the folders are arranged numerically, not alphabetically.

This method of filing is indirect and requires an alphabetic index or chart to assist in locating a particular folder. Each index card contains the name, address, and code number of a correspondent, or the title and code number of a subject. The cards are arranged alphabetically in drawers or trays.

A letter received from the National Storage Company is ready for filing. The clerk consults the index, writes No. 851 (Fig. 68) on the correspondence, and files it in the folder which bears that number. In time, the clerk may learn the code numbers of many customers or topics, and may be able to go direct to their folders; but he will never be completely independent of his index, for new correspondents are constantly being added, and old customers are renewing their business relations.

NATIONAL STORAGE COMPANY	851
210 National Bldg., St. Louis, Mo.	

Fig. 68. An alphabetic card index which gives instant reference by number to the proper folder.

123. Geographic filing. As the name implies, this system groups its material by localities. There are several methods of arrangement, one of which is shown in Figure 64. This is called the *state and town method.* Back of each town guide are folders arranged alphabetically by the names of the customers who live in that town. Where should a letter from Cox & Co., Arcola, Ill., be filed? Geographic filing is particularly helpful to the student of geography, history, or foreign or domestic trade. It enables him to preserve and

Fig. 69. The central filing department of a glass-manufacturing concern. The files are arranged to form partitions for the department.

classify for ready reference newspaper clippings, magazine articles, maps, charts, and pictures about any country, state, or town. Geographic filing is also useful to a tradesman or manufacturer who desires to keep track of the volume of business which he is doing in a particular locality.

124. Subject filing. Many times the subject-matter contained in correspondence is of greater importance than the name of the correspondent. In a newspaper or magazine article, the subject matter is sometimes more important than its title. In these cases, letters or clippings must be filed by subject. Figure 67 is a drawer from a filing cabinet in which the papers are arranged by subject. Tell where a letter concerning automobile insurance would be filed in this drawer.

QUESTIONS

1. Distinguish between storing and filing. 2. Would you use a spindle file to hold temporarily a mortgage on a house? to hold a bill

for groceries? Explain. 3. In what ways are the box file and the loose-sheet cabinet similar? In what ways are they different? 4. The Shannon file is an improvement over the spindle file. Explain fully. 5. Which, in your judgment, is the simplest system of filing: alphabetic, numeric, geographic, or subject? Which is the most difficult? 6. Distinguish between filing and indexing. 7. Find in the dictionary the meaning of *tabs, perforator, guides, folders, chronologically, index.*

TOPICS FOR DISCUSSION AND INVESTIGATION

1. Fill in this chart.

Systems of Filing	Advantages	Disadvantages
Spindle File	Takes less time	not so safe
Box File	Quick & easy	
Loose-Sheet Cabinet		
Shannon File		
Vertical File		
Alphabetic		
Numeric		
Geographic		
Subject		

2. A catalogue, issued by a well-known manufacturer of filing equipment, is called "Filing and Finding." Is this a good title? Explain. 3. In discussing filing equipment, a salesman remarked, "We do not recommend any method but vertical filing." Was he right? 4. How did the Shannon file get its name? 5. Section 123 describes the *state and town method* of geographic filing. What is the *state and alphabetic method?* the *straight town method?*

PROBLEMS

1. Arrange the words in each of the following groups in dictionary order:

A.

scissors	locks	monkey wrench	vise
nails	keys	jack	plane
screws	door knobs	gimlet	auger
thumb tacks	thermometers	chisel	chair
hammer	wire	knives	
bolts	rope	shears	

hinges	nuts	saw	paint
sandpaper	pliers	screw driver	varnish

B.

metropolis	mitten	memory	merriest
mouth	museum	mitigate	mustache
mitosis	myrtle	myth	message
memento	mermaid	mouse	mutiny
mercury	mustard	merriment	mother
mosaic	minister	merry-go-round	mistaken

C.

homily	hoist	hurricane	horrid
honorable	hockey	hurrah	honest
hospital	hoecake	huckaback	horror
howling	homicide	hollyhock	house
hundred	honorary	holiday	hurly burly
hurdle	horrible	honey	hourly
huckster			

2. Write the names in each of these groups in directory order:

A.

James H. Babcock	George Bridgman
Mary G. Beck	Dr. Burke
C. Frank Bell	A. Edward Burke
Bella Apartments	Best Clothing Co.
B. & O. Railroad	Baxter Saw Works
Louisa Bridges	Albert Burke
Baltimore Cloth Works	Bolton Steel Co.
J. Black & Sons	Prof. Arthur Bennett
Frank A. Bell	Mrs. Adelaide Bennett
Bessemer Steel Co.	Dr. Arthur A. Bennett

B.

Prof. John Mecaughey	Sears, Smith & Co.
Jos. C. McMichael	Searing Smith & Co.
Dr. D. MacPherson	Newtown Transit Co.
Mays Landing Power Co.	New York Clothing Co.
St. James Hotel	6th Street Garage
Sapolio Soap Co.	John McMaster
Blakeley Smith & Son	Martin H. Brown & Sons
Martin C. Brown Hat Co.	Brown Cab Co.
ely, Jones & Brown	C. Harry Brown
n, Brown & Co.	Caleb M. Fox

3. Write the names in each of the following groups in accordance with the indexing rules, and in the order in which they should be filed.

A.

Mrs. Frank A. Clark
Prof. Fred R. Clark
Dr. Clark
Frank Clark
Miss Freda B. Clark
Albert Clarkson
Mr. F. A. Clark

B.

Brown, Ritchie & Co.
Wallace Irwin
Wallace, Brown & Co.
John DeVelle
Meyer Bloomfield
St. John's Hospital
The Quaker Lace Mills
B. & O. Railroad
The John Brown Mfg. Co.

C.

Prof. William Martin
Thos. Martindale & Co.
Albert & Jones
Mrs. Thorn Martindale
A. C. Young
Joseph McMaster
Dr. Ernest Miller
Mason, Horner & Co.
Albert Young
The Mason-Smith Printing Co.
The Portland Cement Co.
John H. Mason
Dr. John Mason
The Mills Typing Company
The Y.M.C.A. Baltimore
Simon, Field & Co.
Marshall Bell & Co.
7th Avenue Hotel

4. Write this list of cities alphabetically by states and by cities under the states:

Boston, Mass.	Palmyra, Pa.	Milltown, Pa.
Portland, Maine	Rockland, Ill.	Palmyra, N. Y.
Pittsburgh, Pa.	Spring City, Ill.	Burlington, Ill.
Buffalo, N. Y.	Rochester, Minn.	New York City
Springfield, Ill.	Port Howard, Maine	Philadelphia, Pa.
Pittsfield, Mass.	Millersville, Pa.	Binghamton, N. Y.

5. Write each name in the following list on a separate index card, or on slips of paper of similar size, in accordance with the rules for indexing given in Section 121.

The Salvation Army, New York City.
Dr. John Adams, 210 Boylston Street, Boston, Mass.
Miss Joanna Adams, 4325 State Street, Chicago, Ill.
The DuPont Powder Co., Wilmington, Del.
New Jersey Light and Power Co., Trenton, N. J.
Newburg Knitting Mills, Newburg, Ind.
David C. Newton & Sons, 204 Main Street, New Orleans, La.
New London Hospital, New London, Conn.
Henry Delaney, Denver, Colo.
William DeLancy, Reading, Pa.
Henry, Dawson & Co., St. Louis, Mo.

Chapter IX

THE TELEPHONE

125. Facts worth knowing. There are more telephones in Pittsburgh than in Italy, more in New York City than in Great Britain, more in Los Angeles than in Africa, and twice as many in Chicago as in South America. A web of 34,000,000 miles of wire, thousands of central offices, a maze of intricate apparatus, and more than 15,000,000 telephones are needed to handle the 55,000,000 calls made by the people of the United States in one day.

126. Outstanding achievements. On October 9, 1876, when Dr. Bell talked from Boston to Mr. Watson over two miles of wire, he and Thomas Watson were as proud as the boy who builds his first radio set or the girl who knits her first sweater. But on January 25, 1915, Dr. Bell in New York City talked to that same Watson over a line 3400 miles long, and for a portion of the conversation he used an exact model of the original telephone.

When the late President Harding dedicated the submarine telephone cable connecting Havana with the mainland of North America, his voice was heard over a telephone "speech highway" wire and wireless, from Cuba to Santa Catalina Island, thirty miles off the California coast, a total distance of 5600 miles.

Finally, on January 14, 1923, telephone officials talked continuously for two hours by wire and radio from their offices in New York City to a group of learned men assembled in London for the test.

127. Kinds of service. Any adult, who lives within a reasonable distance of the company's lines, and who pays the rate for the service rendered, may have a telephone.

Fig. 70. Telephone operators at work in a large central exchange.

He may have an individual line from his house to the central office for his exclusive use. Or he may be one of two or more subscribers on a party line. This class of service costs less, but only one instrument on a line may be used at any one time. In many localities party lines are recognized by a letter after the subscriber's number, as Blackwood 1367 W. Or the subscriber may have a private branch exchange (Fig. 71) which is similar to the big *centrals* of the telephone companies but much smaller. A private branch exchange will handle his incoming and outgoing calls as well as those between the different employees or departments of his office, factory, or store.

Experience has taught us that certain rules relating to telephone equipment and telephone manners are necessary.

128. Telephone equipment. A subscriber who desires to get the most efficient service from his telephone attaches to the instrument a pencil and pad of blank paper on which to jot down information from incoming calls. He also keeps in plain view near the telephone an alphabetical

list of names frequently called, with their telephone numbers. This additional equipment speeds the service.

129. Telephone manners. Once in a while the telephone user gets poor service—*central* is slow in responding to his signal; she gives him the wrong number; she fails to get his party. The operator may have been careless, but in the majority of these instances she did the best she could. At any rate, a show of temper is not apt to make her improve her service. And, as she is not permitted to reply in kind, good sportsmanship demands that one observe self-control and be courteous. In fact, an excellent rule for all business transactions whether by telephone, telegraph, cable, or letter is to treat the person as if present. If telephone service is frequently unsatisfactory, it may be remedied by calling the chief operator and reporting the trouble to her.

Fig. 71. A private branch exchange.

Listen to the operator each time she responds to your call. She has been trained at a great expense in the proper use of the voice for telephone business. Note that she speaks slowly, distinctly, in well-modulated tones, and with a rising inflection. She has also learned to keep her lips close to the mouthpiece of the instrument. (Fig. 71.)

130. Classes of telephone calls. There are four classes of

telephone service calls: local calls, station-to-station toll calls, person-to-person toll calls, and long distance calls.

131. Local calls. Usually a local call is a call to a point within the district, or service area. Where are the names and phone numbers of local subscribers listed in the local telephone directory?

132. How to make a local call. A definite procedure has been found to be helpful. Consult the telephone directory for the number of the person with whom you wish to speak. Suppose this number is *Filbert 2341 J*. Take down the receiver. Listen for the operator's "Number, please?" Reply slowly, clearly, and distinctly, "Filbert—two-three-four-one-J." If the number ends in two zeros—Filbert 2300—say, "Filbert two-three-hundred"; if in three zeros—Filbert 4000—say, "Filbert—four-thousand." Listen while the operator repeats the number. If correct, say "Right"; if incorrect, "No," and give it correctly. Hold the receiver to the ear until your party answers, or until you are informed that the "line is busy." If the party answers, proceed with your conversation, and when finished, say "good by" and hang up the receiver. If the line is busy, hang up the receiver, and in a few moments call again.

133. How to answer a local call. Many persons on hearing the telephone ring, pick up the receiver and answer, "Hello." "Hello" is a jovial greeting to a friend on the street. The friend sees you and knows who you are. But over the telephone, "Hello" tells the listener only that someone has answered. How much better to say, "This is Mr. Quay," or "Mr. Quay speaking"; or "Miss Lyons speaking for Mr. Walsh."

134. Recall signal. If, after a number is given, the subscriber desires to recall the operator, he must give the recall signal by moving the receiver hook up and down slowly several times. This causes a light before the operator to alternately flash and die. Jiggling the hook rapidly fails to produce the flashes.

135. Information. Telephone companies maintain a de-

partment in each central office called *Information.* The duty of *Information* is to answer questions of subscribers in regard to telephone service. The regular switchboard operators are not allowed to answer any questions because to do so would seriously interfere with the service. They refer all inquiries to the information operators. A subscriber who needs assistance in finding the call number of his party should ask the regular operator for *Information.*

136. Emergency calls. Calls in case of fire, when the police are wanted, or when an ambulance is needed, are classed as *emergency calls.* The way to make a call in case of an emergency varies somewhat with different telephone companies. Every user of the telephone, therefore, should be familiar with the clearly printed directions on the cover of his local telephone directory. They explain what is to be done in case of an emergency. No charge is made for emergency calls.

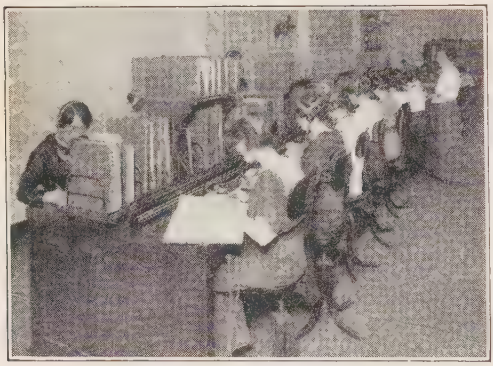


Fig. 72. "Information" operators at work at their desks.

137. Coin-box telephones. Many public telephones are equipped with slotted coin boxes to receive nickels, dimes, and quarters. These telephones are of two types. The first requires the subscriber to proceed as in making a local call (Sec. 132) and to deposit the proper coin only when requested by the operator. The second requires a coin to be deposited to signal the operator. It is advisable before using a coin-box telephone to read the plainly printed directions on the instrument.

138. Station-to-station toll calls. In nearly every tele-

phone directory there is a list of places called *toll points*, usually close by but outside the local district. A call to any one of these places is a *toll call*. If the subscriber merely desires to be connected with a particular number in the toll area, the call is a *station-to-station toll call*. It is made in the same way as a local call. (Sec. 132.)

139. Person-to-person toll calls. If the subscriber wishes to talk with a particular person in the toll area, he must ask for the *Toll Operator* and give the call to her. Person-to-person toll calls are more expensive than station-to-station toll calls. Why?

140. Long distance calls. Any call beyond the toll area is a *long distance call*. In making a long distance call, ask for the *Long Distance Operator* and give the call to her, stating whether it is a station-to-station or a person-to-person call.

Fig. 73. The dial of a machine-switching telephone. The lettering on the dial varies in different localities.

141. Special calls. Many telephone companies offer other special types of service, such as appointment calls, messenger calls, and collect calls. Ample directions for making these calls may be found in the first part of the telephone directory.

142. Report charge. A report charge is made on person-to-person calls which are not completed within a reasonable time (usually midnight of the day following the day they were placed with the operator). This charge is made to pay for the use of the toll or long distance lines in the effort to complete the call.

143. Rates for out-of-town calls. To distribute out-of-town business over the twenty-four hours of a day, and for other reasons, many telephone companies provide three rates:

Fig. 74. Consult the directory before making a call.

A *day rate* from 4.30 A. M., to 8.30 P. M.; an *evening rate* from 8.30 P. M. to midnight; a *night rate* from midnight to 4.30 A. M. Which, in your judgment, is the highest rate? the lowest rate?

144. *Machine switching telephone. Figure 73 shows *The Dial* in use by the Bell Telephone Company in a large eastern city. When one sees a telephone equipped with a dial he knows either that a wonderfully complicated machine in the central office does much of the work formerly performed by the operators, or that the telephone company intends to install such a machine. There is very little new to learn in using a machine switching telephone. The same operations are followed in making a call, except that instead of using the voice and calling, one uses the fingers and dials.

145. The dial. Look more carefully at Figure 73. What is the number of this telephone? How are the first three letters of the name of the exchange printed? the latter five? Name the letters contained within each circle. Is any letter of the alphabet missing? Name the figure within each circle. Place the blunt end of a pencil on the finger stop; in the circle marked "operator."

Fig. 75. Carefully remove the receiver from its hook.

Only in the large cities

* For use in case the local telephone company has installed or is installing machine switching.

must a subscriber dial the first three letters of the central office name. In smaller cities he dials the first two letters, as MOntrose 4321. In other localities, where machine switching is used, he dials only the figures, as Lancaster 4567.

146. How to make a local call. Obtain the correct number from the directory. Suppose it is LOCust 1045. Remove the receiver carefully and listen for the dial tone—a steady hum. Place a finger in the hole over the letter "L." Turn the dial until the finger strikes the finger stop. Lift the finger and allow the dial to turn back. Repeat the process by dialing "O" and "C." Proceed at once to dial the four figures, the figure "1," the figure "0," the figure "4," and the figure "5." Listen for the ringing signal—an intermittent burr-r-ing—which indicates that the called telephone is being rung; or the busy signal —a rapid buzz-buzz-buzz— which indicates that the called line is busy. If neither is heard, hang up the receiver for a few seconds and dial the complete number again. If a second attempt fails to bring either signal, dial "operator" and report the condition to her.

Fig. 76. Listen for the operator's "Number, please?" or for the "dial tone." (Sec. 146.)

147. Special calls. A pamphlet with the general title, "How to Use Your Machine Switching Telephone," is issued by all telephone companies that install this service. Such a pamphlet, distributed to subscribers in an eastern city, directs to dial "operator," if a subscriber desires to speak to a person on his own line, to make an emergency call or a station-to-station toll call, or is having service difficulties. It sets down definite numbers to dial for person-to-person toll calls, long distance calls, directory information, and the repair clerk.

QUESTIONS

1. Sixty-three per cent of the telephones in the world are in the United States. Suggest four reasons to explain this fact. 2. What are the advantages of an individual over a party line? Which is cheaper? Why? 3. Under what conditions is a private branch exchange desirable? 4. Criticize the following answer to a call: "Wait a moment until I get paper and pencil." 5. The telephone companies have a slogan, "The voice with a smile wins." Explain. 6. What is a local call? toll call? long distance call? 7. Distinguish between a station-to-station and a person-to-person toll call. 8. How can you tell whether a station is in the toll area? long distance area? 9. Give the steps necessary in making a local call. 10. Give two objections to answering a phone call with "Hello." 11. A man shook the receiver hook violently in order to gain the operator's attention. She failed to respond. He reported her for neglect of duty. Was he unfair? 12. What kinds of calls are classed as emergencies? How are emergency calls made in your locality?

TOPICS FOR DISCUSSION AND INVESTIGATION

1. What is an appointment call? messenger call? collect call? 2. Should employees use the telephone for personal calls during business hours? Discuss. 3. Give the advantages of machine switching; disadvantages. 4. Do you believe the telephone is indispensable to modern business? Explain. 5. Gather facts, pictures, and statistics about Bell, Watson, and the telephone, and prepare an illustrated pamphlet such as might be issued by your local telephone company.

PROBLEMS

1. Repeat the following telephone numbers as you would give them in making a call:

Central 5978	Main 0333	Murray Hill 5110
Tacoma 0800	Columbia 3622 J	Jefferson 4000
Market 2300	Jackson 4070	Lincoln 2007 W

2. Find the telephone numbers of a list of persons furnished by your teacher within the local service area. Find the telephone number of the nearest dentist to your home; electrician; police station; hospital; fire house; drug store; of several persons in the toll-service area. 3. Using toy phones or the school's inter-communicating room phones, perform the following duties: (*a*) Call the furniture department of a store in your locality. (*b*) Answer a call for Mr. Brown when he is in the office and will speak; when he is out. (*c*) Call a number in the local area during which you are cut off. (*d*) Report your telephone out of order; an accident; a fire next door. (*e*) Call a particular person in Chicago. (*f*) Make a station-to-station call in your toll area. Compute the charge for an eight-minute conversation.

Chapter X

TELEGRAMS, CABLEGRAMS, AND RADIOGRAMS

148. The first telegram. On May 24, 1844, Samuel F. B. Morse telegraphed from Washington to Baltimore the historic sentence, "*What hath God wrought?*" This was not, however, the first telegraph message on record. On January 24, 1838, at New York University, where he was professor of Fine Arts, Morse exhibited his invention to a company of invited guests. One of these wrote on a slip of paper, and over a ten-mile wire, Morse transmitted the sentence: "*Attention, the Universe! by kingdoms, right wheel.*"

What a prophecy of the important part electrical communication was to play in bringing nations to know each other better! A great earthquake lays waste a far-away land. Immediately there flashes over the wires under the seas and through the air, "*Attention, the Universe!*" and relief ships are speeding toward the stricken land. As in relief work so in business, in pleasure, in peace, and in war, the land telegraph, with the submarine cable and the radio, are the efficient servants and helpers of mankind.

149. A business necessity. A telegram is a written message sent and received at a distance by means of electric current passing over wires. These messages not only save the business man's time but get results that seemingly cannot be accomplished in any other way. A business man may refuse to see a caller, may lay an unopened letter aside, or may be too busy to answer a telephone call in person; but he probably will seize a telegram on sight, tear off the envelope, and eagerly scan the message. Telegrams get attention.

150. Kinds of messages. There are four kinds of telegraph messages: fast telegrams, night telegrams, day letters, and night letters.

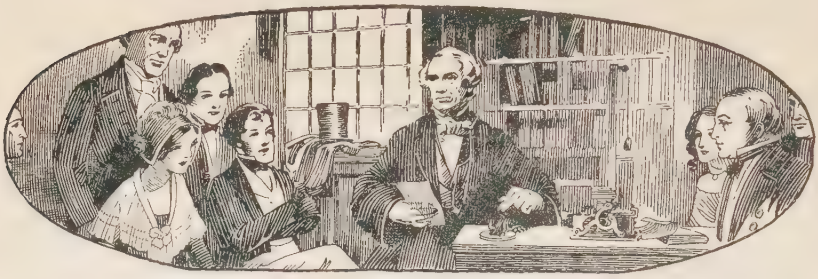
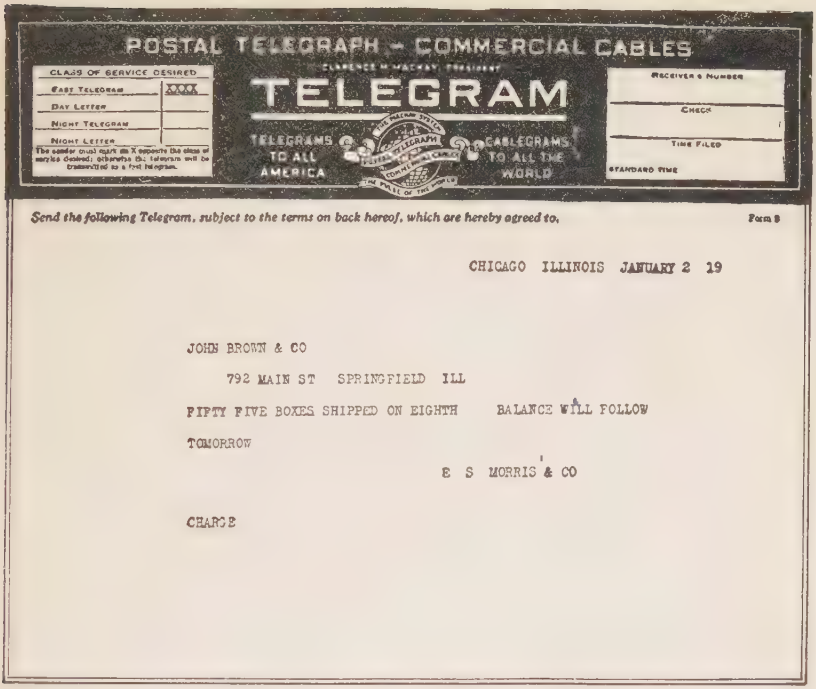


Fig. 77. Samuel F. B. Morse sending the first telegram.

151. Fast telegrams. Figure 78 is a reproduction of a fast telegram. It is written on a *universal blank*. What other types of messages may be written on universal blanks? How did the telegraph company know which kind of message E. S. Morris & Co. desired? This message is the kind referred to when a person says, "I telegraphed him today." The rate is based on ten words, figures, or letters in the text of the message, and increases with the distance to which it is sent. An extra charge is made for each additional word, figure, or letter. The message is forwarded as soon as possible after it is received by the company.

152. Night telegrams. These are very similar to fast telegrams. Night telegrams are accepted up to 2.00 A. M. for delivery by mail, messenger, or telephone, the morning of the next business day. The charge is somewhat less than for fast telegrams of similar length to the same destination. Why?

153. Day letters. A day letter is accepted for deferred transmission following fast telegrams. The charge is based on fifty words exclusive of the address and signature at the rate of one and one-half times the rate for a ten-word telegram to the same destination, with an extra charge for each additional ten words or less. The text of the message must be in plain English. The delivery of a day letter is not guaranteed on the day of its date.



POSTAL TELEGRAPH – COMMERCIAL CABLES

CLARENCE H. MACKAY, President

CLASS OF SERVICE DESIRED

FAST TELEGRAM	XXXX
DAY LETTER	
NIGHT TELEGRAM	
NIGHT LETTER	

The sender should mark an X opposite the class of service desired; otherwise the telegram will be transmitted as a fast telegram.

TELEGRAM

TELEGRAMS TO ALL AMERICA

CABLEGRAMS TO ALL THE WORLD

RECEIVER'S NUMBER

CHECK

TIME FILED

STANDARD TIME

Send the following Telegram, subject to the terms on back hereof, which are hereby agreed to.

Form B

CHICAGO ILLINOIS JANUARY 2 19

JOHN BROWN & CO

792 MAIN ST SPRINGFIELD ILL

FIFTY FIVE BOXES SHIPPED ON EIGHTH BALANCE WILL FOLLOW

TOMORROW

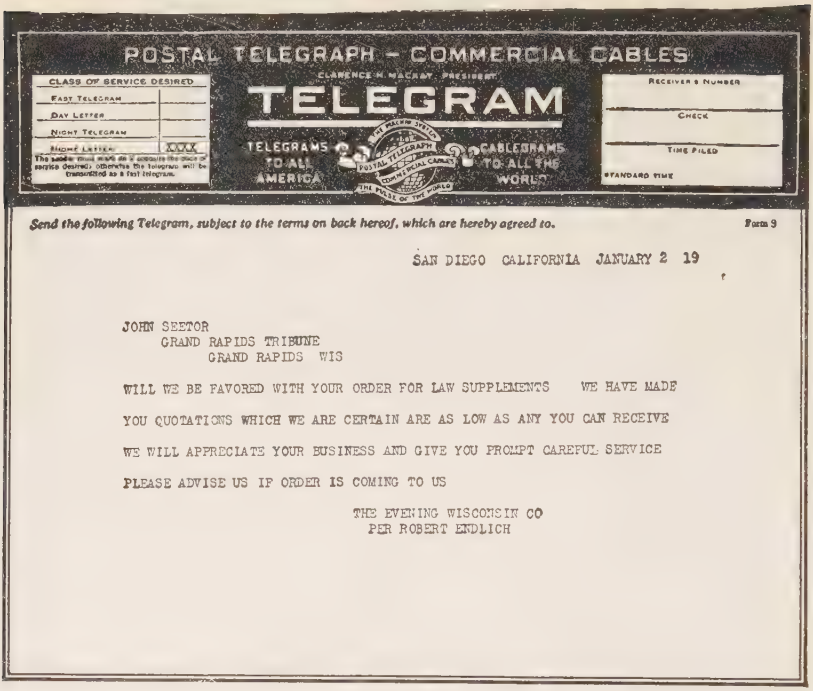
E S MORRIS & CO

CHARGE

Fig. 78. A fast telegram. This class of message is accepted at any hour for immediate transmission and delivery.

154. Night letters. These are very similar to day letters. They are accepted up to 2.00 A. M. for delivery by mail or messenger on the morning of the succeeding business day. Fifty words or less are transmitted for the cost of a ten-word fast telegram to the same destination. (Fig. 79.)

155. Code. A *code* is a system of signals, characters, or words used for brevity and secrecy. Figure 80 shows a cablegram written in code, and Figure 81 shows the message decoded. Books of code words may be had of the telegraph companies. For secrecy, however, many governments, business organizations, and even individuals use symbols of their own invention. Code is permissible in fast telegrams, night telegrams, and preferred and ordinary cablegrams.



POSTAL TELEGRAPH – COMMERCIAL CABLES

CLARENCE H. MACKAY, PRESIDENT

CLASS OF SERVICE DESIRED

FAST TELEGRAM

DAY LETTER

NIGHT TELEGRAM

NIGHT LETTER XXX

The sender should mark an X opposite the class of service desired; otherwise the telegram will be transmitted as a fast telegram.

TELEGRAM

TELEGRAMS TO ALL AMERICA

CABLEGRAMS TO ALL THE WORLD

RECEIVED'S NUMBER

CHECK

TIME FILED

STANDARD TIME

Send the following Telegram, subject to the terms on back hereof, which are hereby agreed to.

Form 9

SAN DIEGO CALIFORNIA JANUARY 2 19

JOHN SEETOR
GRAND RAPIDS TRIBUNE
GRAND RAPIDS WIS

WILL WE BE FAVORED WITH YOUR ORDER FOR LAW SUPPLEMENTS WE HAVE MADE

YOU QUOTATIONS WHICH WE ARE CERTAIN ARE AS LOW AS ANY YOU CAN RECEIVE

WE WILL APPRECIATE YOUR BUSINESS AND GIVE YOU PROMPT CAREFUL SERVICE

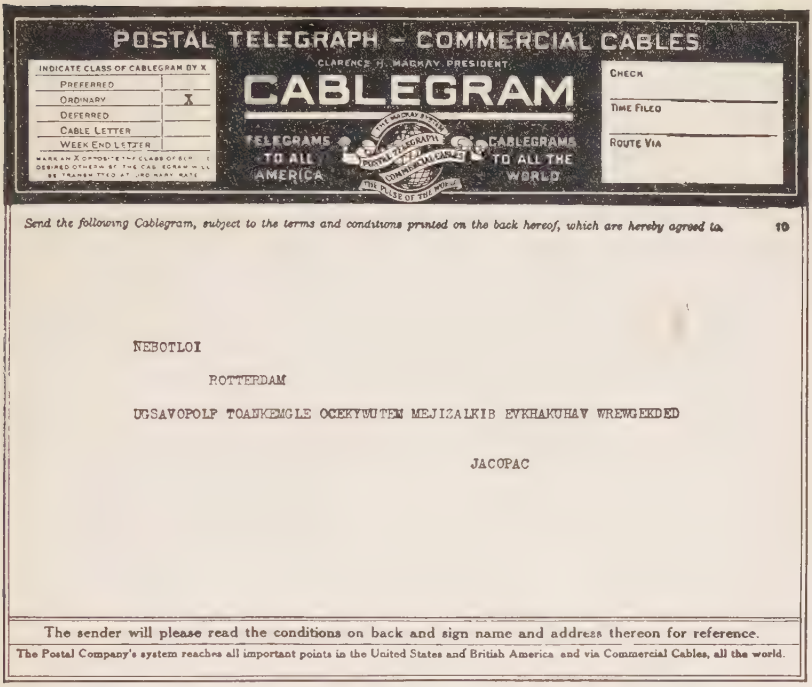
PLEASE ADVISE US IF ORDER IS COMING TO US

THE EVENING WISCONSIN CO
PER ROBERT ENDLICH

Fig. 79. A night letter. This class of message is widely used as an inexpensive substitute for the mails.

156. Preparing the message. Be brief, yet clear. Omit all unnecessary words. So phrase the message that it is understandable without punctuation, for each mark of punctuation, when transmitted, counts as a word. Remember that there is no charge for the necessary words in the address and the signature. Place an "x" on the universal blank opposite the class of service desired. These very general suggestions have been found helpful in preparing telegraphic messages.

157. The "repeat back." If E. S. Morris & Co. (Fig. 78) desire assurance that their message will be transmitted accurately they must write "Repeat back" at the top of the message. The telegraph office at Springfield, Illinois, will then wire back the order to Chicago for comparison. An additional charge is made for this service.



POSTAL TELEGRAPH – COMMERCIAL CABLES

CLARENCE H. MACKAY, PRESIDENT

INDICATE CLASS OF CABLEGRAM BY X

PREFERRED	
ORDINARY	X
DEFERRED	
CABLE LETTER	
WEEK END LETTER	

CABLEGRAM

TELEGRAMS TO ALL AMERICA

CABLEGRAMS TO ALL THE WORLD

CHECK

TIME FILED

ROUTE VIA

Send the following Cablegram, subject to the terms and conditions printed on the back hereof, which are hereby agreed to. 10

NEBOTLOI

ROTTERDAM

UGSAVOPOLP TOAUKEMGLE OCEKYWUTEN MEJIZALKIB EVKHAKUHAV WREWGEKDED

JACOPAC

The sender will please read the conditions on back and sign name and address thereon for reference.

The Postal Company's system reaches all important points in the United States and British America and via Commercial Cables, all the world.

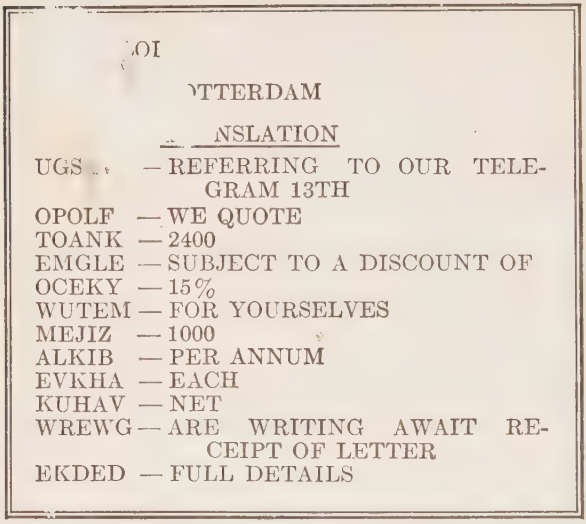
Fig. 80. An ordinary cablegram written in code.

158. **Telegrams by telephone.** Telegrams and cablegrams may be filed by calling "Western Union" or "Postal Telegraph," or the call-number of either company. The message may be dictated to the recording operator of the telegraph company, who will repeat it for verification. Patrons should retain in their own files the original copies of messages telephoned, and carbon copies of all others. This will save time in checking the monthly bill, and provide exact copies if at any time required.

159. **Confirming the message.** Immediately after a telegraphic message has been sent, a duplicate should be mailed with a letter confirming the message. What value is this duplicate to the receiver of the message?

160. Delivering the message. Messages are delivered free within one-half mile of the telegraph office in towns of 5000 people or less, and within one mile from such office in other cities or towns. Beyond these limits the cost of delivery service is collected. The receiving office sometimes telephones the message to the addressee.

161. Cablegrams. A cablegram is a message sent by submarine telegraph.



.OI

)TTERDAM

NSLATION

UGS . . — REFERRING TO OUR TELEGRAM 13TH
OPOLF — WE QUOTE
TOANK — 2400
EMGLE — SUBJECT TO A DISCOUNT OF
OCEKY — 15%
WUTEM — FOR YOURSELVES
MEJIZ — 1000
ALKIB — PER ANNUM
EVKHA — EACH
KUHAV — NET
WREWG — ARE WRITING AWAIT RECEIPT OF LETTER
EKDED — FULL DETAILS

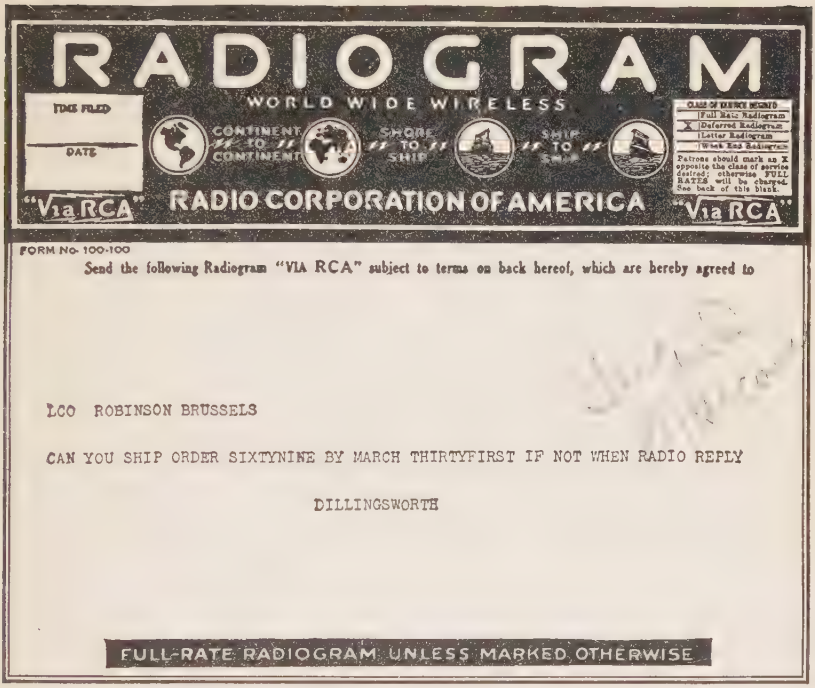
Fig. 81. The cablegram decoded.

162. Classes of cable service. There are five classes of cablegrams: preferred, ordinary, and deferred cablegrams, cable letters, and week-end letters. These messages may be sent from telegraph offices.

163. Preferred and ordinary cablegrams. These messages are for communications which require quick transmission and prompt delivery. Every word in the address, text, and signature is counted and charged for. Code may be used.

164. Deferred cablegrams. These are transmitted at the convenience of the company when its cables are not in use for full rate messages. Code is not permitted except in the address. They are used for communications which permit of a delay of as much as twenty-four hours.

165. Cable letters. These are sent when the cables would otherwise be idle. They must be written in plain language.



RADIOGRAM

WORLD WIDE WIRELESS

TIME FILED

DATE

CONTINENT TO CONTINENT

SHORE TO SHIP

SHIP TO SHIP

CLASS OF SERVICE DESIRED

Full Rate Radiogram

X Deferred Radiogram

Letter Radiogram

Week End Radiogram

Patrons should mark an X opposite the class of service desired; otherwise, FULL RATES will be charged. See back of this blank.

"Via RCA" RADIO CORPORATION OF AMERICA "Via RCA"

FORM NO. 100-100

Send the following Radiogram "VIA RCA" subject to terms on back hereof, which are hereby agreed to

LCO ROBINSON BRUSSELS

CAN YOU SHIP ORDER SIXTYNINE BY MARCH THIRTYFIRST IF NOT WHEN RADIO REPLY

DILLINGSWORTH

FULL-RATE RADIOGRAM UNLESS MARKED OTHERWISE

Fig. 82. A deferred-rate radiogram.

They are for messages which, though not urgent, must be delivered before the next overseas mail. A cable letter of thirteen words may be sent from New York or Boston to London or Liverpool for seventy-five cents.

166. Week-end letters. These are received up to midnight on Saturday for delivery the following Monday morning. A week-end letter of twenty-five words may be sent from New York or Boston to London or Liverpool for $1.15.

167. Radiograms or marconigrams. The telegraph companies are constantly sending messages for business houses and individuals by wireless to ships at sea, to Europe, and even as far as Japan and China. These messages are called by various names: wireless telegrams, radiograms, marconi-

grams. They may be sent through the local telegraph office in the same way as telegrams or cablegrams.

168. Differences in time. About 3.00 P. M. one cool August afternoon, a San Francisco merchant rushed to the nearest telegraph office, wrote an order for fifty light overcoats of a certain style and make, and demanded that it be sent immediately so as to reach his manufacturer in New York City before closing time. The attendant glanced at

Fig. 83. A map showing the boundaries of the standard-time belts in the United States.

the message and stated that the telegram could not be delivered before 9.00 A. M. the following morning. The customer became angry, refused to listen to an explanation, and hastened out to try a rival company. Foolish man! He had made a request impossible to grant.

Figure 83 shows the United States divided into four standard time belts. When it was 3.00 P. M. at San Francisco, it was 4.00 P. M. at Denver, 5.00 P. M. at St. Louis, and 6.00 P. M. at New York City. The employees of the clothing manufacturer had gone home a half hour before the San Francisco merchant reached his local telegraph office. For every fifteen degrees that one travels eastward around the surface of the

earth he turns his watch ahead one hour. Time differences must be taken into consideration when sending messages by wire, cable, or wireless.

QUESTIONS

1. Give two advantages and two disadvantages of each of the following types of communication: a letter, a telephone message, a telegram, a cablegram, a radiogram. 2. Do you consider the telegraph a business necessity? Explain. 3. Why do telegraph companies provide different kinds of telegraph, cable, and wireless messages? 4. Is the address and signature charged for on a telegram? cablegram? radiogram? 5. Under what conditions is it cheaper to send a night message than a night letter? 6. Give two good reasons for using code. In what kinds of messages is code permissible? 7. Discuss punctuation in a telegram. 8. Justify the "repeat back" charge. 9. State the necessity for confirming a telegram. 10. Name three ways by which a telegram may be delivered.

TOPICS FOR DISCUSSION AND INVESTIGATION

1. Prepare a brief, concise biography of Samuel F. B. Morse, Cyrus W. Field, and Guglielmo Marconi. 2. Gather together facts and pictures about the invention of the telegraph, the laying of the first Atlantic Cable, and the invention of wireless telegraphy. 3. Can any member of the class explain clearly the Morse Code? 4. Did the invention of the telegraph precede or follow the invention of the telephone? 5. Find the number of cables from North America to Europe, to South America, to Asia. Name the terminal cities of each cable. 6. Should we have one telegraph company to handle all our business or many competing companies? 7. Why do business men not telephone all their telegrams? 8. Ask your father or a business friend to get for you a business letter-head with cable address for class study. 9. When it is noon at Washington what time is it in London? Paris? San Francisco? Chicago? Tokyo? Sydney? Manila? 10. At noon a New York business man finds it necessary to communicate with his branch office in London. What kind of cable service may he use? Explain.

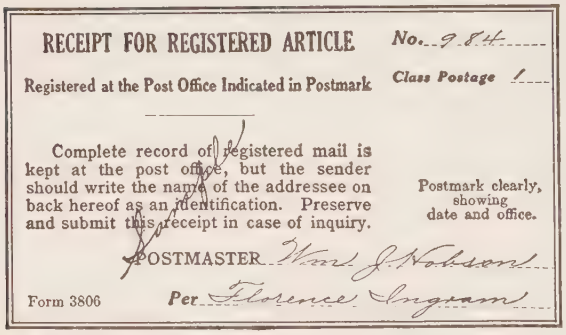
PROBLEMS

1. Write a telegram to your mother telling her of your safe arrival in San Francisco. 2. Write a message to a friend congratulating him on his promotion and wishing him continued success. How will you send it? 3. Telegraph a night letter for three kinds of groceries and tell how they should be sent. 4. If it costs fifty cents to send a telegram to Montreal, how much will it cost to send a night message? day letter? night letter?

Chapter XI

SAFE METHODS OF TRANSMITTING MONEY

169. "Send no money." At the camp where John Henry is spending his summer vacation, the counselors desire to take the boys on a long canoe trip. John writes to his father for money. How will Mr. Henry send it to him? Helen Jackson requests her cousin, Sarah Miller, who lives in a large city, to purchase and forward to her five yards of flowered cotton voile. Helen feels no hesitancy in inclosing a sample of the voile, but to inclose coin or bills is quite a different matter, for, if the money is lost in the mails, its recovery is practically impossible. John's father and Helen Jackson must, therefore, mail their remittances in such forms as are readily obtainable by them, easily cashed by John and Sarah, and cashed with difficulty by other persons.


RECEIPT FOR REGISTERED ARTICLE No. 984

Registered at the Post Office Indicated in Postmark Class Postage 1

Complete record of registered mail is kept at the post office, but the sender should write the name of the addressee on back hereof as an identification. Preserve and submit this receipt in case of inquiry.

Postmark clearly, showing date and office.

POSTMASTER Wm. J. Hobson

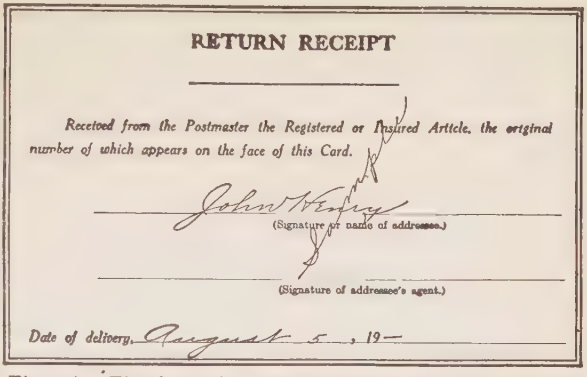
Form 3806 Per Florence Ingram

Fig. 84. This receipt is given to the sender when he registers a letter or a parcel.

170. Safe methods. Remittances are reasonably secure when sent by registered mail, postal money order, express money order, telegraph or cable, postage stamps, personal, certified, or cashier's checks, bank drafts, or certificates of deposit.

171. Registered mail. As the camp is five miles from the nearest village, Mr. Henry decides to send John $25.00 in

bills by registered mail. This sum he incloses with a letter wishing his boy a pleasant time, seals and addresses the envelope, and requests the postal clerk to register it. The clerk tells him the fee for registration, in addition to the regular postage, is fifteen cents for any valuation up to fifty dollars, and twenty cents for a declared valuation of over fifty dollars and not more than one hundred dollars. How much must Mr. Henry pay?


RETURN RECEIPT

Received from the Postmaster the Registered or Insured Article, the original number of which appears on the face of this Card.

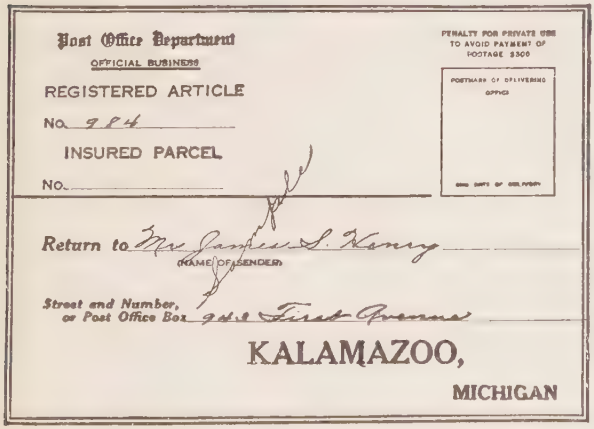
John Henry
(Signature or name of addressee.)

(Signature of addressee's agent.)

Date of delivery, August 5, 19—

Fig. 85. The face of a return-receipt card for registered or insured mail. A fee of three cents is charged for this service.

To make sure that John receives the envelope Mr. Henry writes across the front, "Receipt requested." This requires the postman to have the receipt of the letter acknowledged by John and to return the signed receipt to Mr. Henry. Should the letter be lost or stolen, the Post Office Department will pay Mr. Henry the sum he originally declared that it contained.


Post Office Department
OFFICIAL BUSINESS

PENALTY FOR PRIVATE USE TO AVOID PAYMENT OF POSTAGE $300

REGISTERED ARTICLE
No. 924

INSURED PARCEL
No.

POSTMARK OF DELIVERING OFFICE

DATE OF DELIVERY

Return to Mr James S. Henry
NAME OF SENDER

Street and Number, or Post Office Box 924 First Avenue

KALAMAZOO,
MICHIGAN

Fig. 86. Back of a return-receipt card for registered or insured mail.

172. **Postal money orders.** Sarah Miller lives in a large city near a bank and a post office.

Post Office Department NO.....

THIRD ASSISTANT POSTMASTER GENERAL
DIVISION OF MONEY ORDERS

Stamp of Issuing Office

The Postmaster will insert

here.....

the office drawn on, when the office named by the remitter in the body of this application is not a Money Order Office.

Spaces above this line are for the Postmaster's record, to be filled in by him

Application for Domestic Money Order

Spaces below to be filled in by purchaser, or, if necessary, by another person for him

Amount Five Dollars 07 Cents

Pay to Order of Sarah Miller
(Name of person or firm for whom order is intended)

Whose Address is No. 2463 Baker Avenue Street

Post Office Newark

State New Jersey

Sent by Helen Jackson
(Name of Sender)

Address of sender No. 27 Ridge Road Street

PURCHASER MUST SEND ORDER AND COUPON TO PAYEE

Fig. 87. From this application the postmaster filled in the postal money order which is shown in Figure 88.

Helen Jackson may, therefore, send the money for the voile in any one of the forms suggested in Section 170. She chooses the *postal money order*.

Helen secures an application for a domestic money order from the local post office. This she fills in exactly as shown in Figure 87, and hands it together with $5.07 to the postal clerk. What is the $5.00 for? the seven cents? Fees for money orders are plainly printed on the back of each application blank. They vary from five cents for sums up to $2.50, to twenty-two cents for an amount over $80. Postal money orders are not issued in excess of $100.

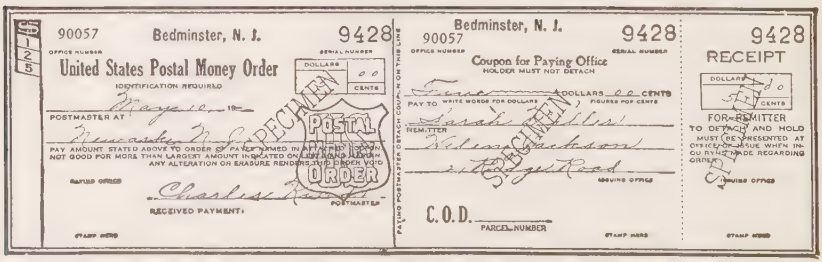


Fig. 88. The postal money order was mailed to Sarah Miller; the sender's receipt was retained by Helen Jackson.

The postmaster fills in a postal money order and receipt (Fig. 88) from the information given on the application. Helen retains the receipt, but sends the order to Sarah. This order may be cashed within thirty days, on proper identification, at any post office or bank. It will be accepted by many merchants as cash when indorsed by the payee. After thirty days, however, it is redeemable only at the office on which it is drawn. If it is lost, the owner may obtain a

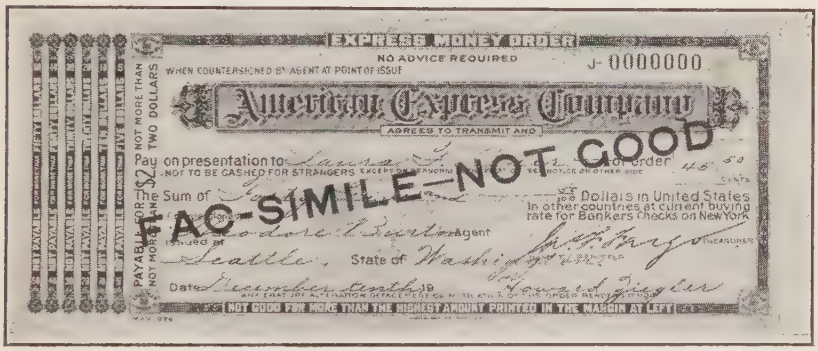
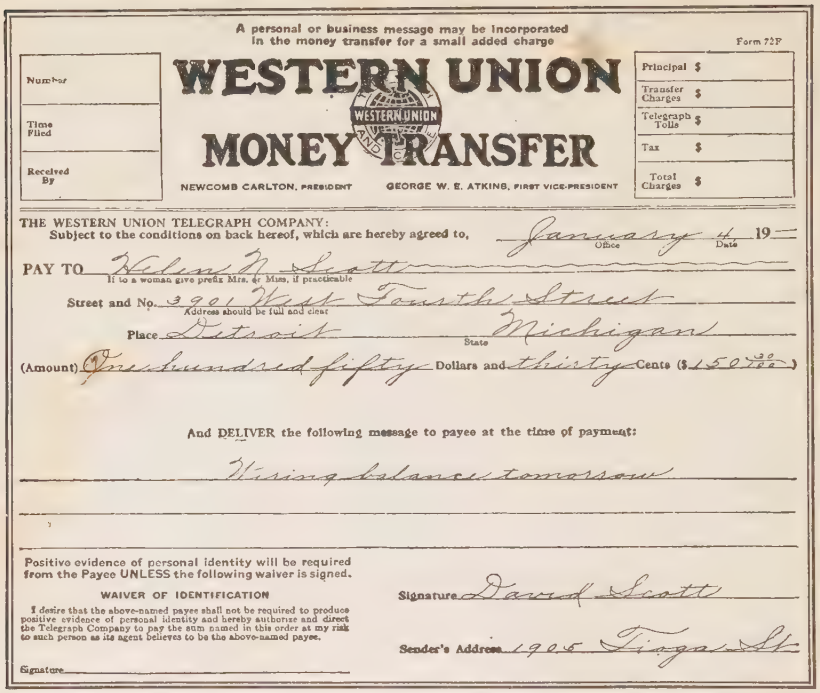

EXPRESS MONEY ORDER
NO ADVICE REQUIRED
J- 0000000
WHEN COUNTERSIGNED BY AGENT AT POINT OF ISSUE
American Express Company
AGREES TO TRANSMIT AND
SPECIMEN
Pay on presentation to
NOT TO BE CASHED FOR STRANGERS
Sum of
Dollars in United States
In other countries at current buying rate for Bankers Checks on New York
Issued at
Seattle
State of
Agent
Date
NOT GOOD FOR MORE THAN THE HIGHEST AMOUNT PRINTED IN THE MARGIN AT LEFT
NOT MORE THAN TWO DOLLARS
PAYABLE FOR NOT MORE THAN $2
FACSIMILE NOT GOOD

Fig. 89. An express money order.

duplicate upon application at any money-order office within one year from the last day of the month issued.

173. Express money orders. Helen might have sent an express money order. This is similar to a postal money order except that it is issued by an express company. No application blank is necessary. The amount of the order plus a small fee is paid at the local office of the express company in return for an *express money order* similar to Figure 89. The *express money order* may be cashed at a bank or at any office of the company, may be deposited like a check, or transferred by indorsement. A *remitter's receipt* is given by the express company with each order issued. This receipt is retained by the remitter.

174. Telegraph or cable. If it is necessary to have a remittance reach its destination more quickly than by mail, it may be made by telegraph or cable. The remitter gives the



A personal or business message may be incorporated in the money transfer for a small added charge

Form 72F

Number

Time Filed

Received By

WESTERN UNION

MONEY TRANSFER

NEWCOMB CARLTON, PRESIDENT — GEORGE W. E. ATKINS, FIRST VICE-PRESIDENT

Principal	$
Transfer Charges	$
Telegraph Tolls	$
Tax	$
Total Charges	$

THE WESTERN UNION TELEGRAPH COMPANY:
Subject to the conditions on back hereof, which are hereby agreed to, January 4 19—
Office Date

PAY TO Helen N. Scott
If to a woman give prefix Mrs. or Miss, if practicable

Street and No. 3901 West Fourth Street
Address should be full and clear

Place Detroit State Michigan

(Amount) One hundred fifty Dollars and thirty Cents ($150.30)

And DELIVER the following message to payee at the time of payment:

Wiring balance tomorrow

Positive evidence of personal identity will be required from the Payee UNLESS the following waiver is signed.

WAIVER OF IDENTIFICATION

I desire that the above-named payee shall not be required to produce positive evidence of personal identity and hereby authorize and direct the Telegraph Company to pay the sum named in this order at my risk to such person as its agent believes to be the above-named payee.

Signature

Signature David Scott

Sender's Address 1906 Tioga St

Fig. 90. When money is to be transferred by telegraph a money-transfer blank must be filled in.

attendant at the local telegraph office the name and address of the payee, the amount of the remittance, and the required fee for the service. An order is then telegraphed or cabled to the agent at the point of destination to pay the same amount to the one named in the telegram. He receives the money on proper identification. Figure 90 is a special money transfer form with additional space for a personal or business message.

175. Postage stamps. These may be sent for sums less than a dollar. They are accepted for cash by business houses unless a statement to the contrary appears in their catalogue, circulars, or advertisements. Stamps, of course, are mailed at the sender's risk. They should be securely wrapped in waxed paper before inserting them in the envelope.

176. Other safe methods. Personal, certified, and cashier's checks, bank drafts, and certificates of deposit are also used in sending remittances. (Sec. 57–60.)

QUESTIONS

1. Give one objection to remitting currency by ordinary mail: (*a*) from the point of view of the sender; (*b*) the postal employees; (*c*) the community. 2. Which, in your judgment, is the most common medium for sending money of those mentioned in Section 170? 3. Explain "Receipt requested" in connection with registered mail. 4. A personal check is a more desirable form of remittance than a postal money order. Give three arguments for this statement, and three against it. 5. What are the advantages of the bank draft over the personal check as a means of sending money? 6. Distinguish among application blank, postal money order, postal money order receipt. For what purpose is each used? 7. When is one justified in remitting by telegraph or cable? 8. You desire to pay a bill of $100 in a distant city. Explain how you would remit by bank draft; cashier's check; certified check.

TOPICS FOR DISCUSSION AND INVESTIGATION

1. One desires to send a letter by registered mail. He affixes the proper sum in stamps, writes *Registered* across the face of the envelope, and drops it in the corner mail box. What happens? 2. May a registered mail receipt card properly signed by the addressee be used as legal proof of payment of a debt? 3. Registered mail frequently takes longer to reach the place of destination than ordinary mail. Why? 4. What are the advantages of an express money order over a postal money order? the disadvantages? 5. How much does it cost to send $100 by telegraph from your home to San Francisco or New Orleans? by postal money order? Justify the difference in the rates.

PROBLEMS

1. Tell in what form you would send the money needed for the following transactions: (*a*) A rush order for a tennis racket to a sporting goods store in a near-by city. (*b*) A remittance to a friend camping in the Maine woods. (*c*) An order for an agricultural bulletin from the Department of Agriculture, Washington, D. C. (*d*) A request to a friend to purchase three books. (*e*) An order for a book costing sixty-five cents from an advertisement in the newspaper. (*f*) A remittance in payment of football supplies amounting to $35.62. 2. Fill in applications for postal money orders for two of the transactions listed in Problem 1.

Chapter XII

SAFE METHODS OF TRANSMITTING PACKAGES

177. Transportation facilities. Sarah Miller finds the cashing of the money order and the purchase of five yards of flowered cotton voile a comparatively simple problem. (Sec. 169.) But how will she send the dress goods to Helen Jackson? Several ways are available: parcel post, first-class mail, registered mail, and railway express. Parcels may also be shipped by freight and by motor truck; but one so small as a five-yard length of voile would probably not be sent by either of these ways.

178. Preparing a parcel-post package for mailing. Sarah had intended for some time to give Helen a bottle of perfume. Now was her opportunity. She removed the voile from its cardboard container, folded it about the small box which contained the bottle of perfume and replaced both. She wrapped two thicknesses of newspaper about the parcel and finished with a sheet of plain wrapping paper. She then tied a stout string around the box exactly as in Figure 91. Note where the strands of twine cross. How has slipping been prevented? Where did Sarah print her name? Helen's name? What word appears before each? Which is the larger printing? Why? Where is the stamp affixed? How may the post office know that the contents are fragile?

179. Mailing a parcel-post package. Sarah takes the parcel to the post office. The postmaster demands to know the nature of its contents, for poisons, explosives, or corrosives are not admitted to the mails. He estimates the size of the box, for parcel-post packages may not exceed eighty-four inches in length and girth combined. He weighs it, and glancing at the address,

determines the postage. Sarah pays this sum, the postmaster affixes the required denomination in stamps, and the package is ready for forwarding.

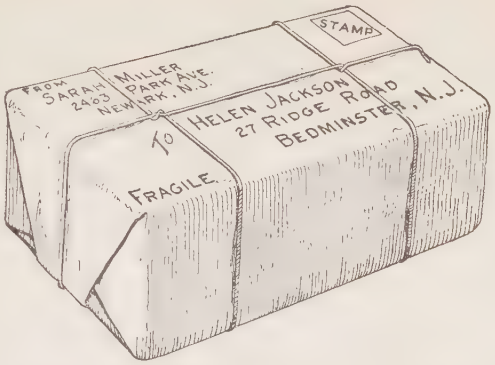


Fig. 91. A parcel-post package correctly wrapped and addressed.

180. Insuring parcel-post mail. As Sarah does not care to assume the risk if the package is lost or stolen, she has it insured. The fee for this service is very small and varies with the valuation placed by the sender on the contents. This parcel is valued at $7.00, so an additional ten cents for insurance must be paid. The postmaster stamps *Insured* on the box and hands Sarah the receipt shown in Figure 92. If the package is lost or stolen, the post-office department will pay to the sender, on presentation of this receipt, the actual value of the merchandise up to $7.00. Parcel-post mail may be insured at any post office or by the rural carrier.

181. First-class mail. If a package is sealed so as to prevent inspection by the postal authorities, it becomes first-class mail and must be paid for at the rate of two cents for each ounce or fraction of an ounce. First-class mail will reach its destination more quickly than a parcel-post package to the same destination, but the cost will be much greater. When this additional expense is justifiable, always print across the wrapper, in bold letters, *First-Class Mail.*

RECEIPT FOR INSURED MAIL — Form 3813 — FORM 12

This receipt represents a parcel insured, and must be presented in the event of application for indemnity. The sender should write the name and address of the addressee on the back hereof.

Accepting employee will place his initials in spaces applicable, to indicate indorsement, etc.

Fragile J.K. Return Receipt J.K.
Perishable Spl. Del'y
Eggs

Fees. Indemnity.
3c—Value up to $5
5c—Value up to $25
10c—Value up to $50
25c—Value up to $100

CLAIMS MUST BE FILED WITH POSTMASTER WITHIN SIX MONTHS FROM DATE OF MAILING

DO NOT LOSE THIS RECEIPT.

(Postmark of)

No. 8742

Fee paid 10 cts.

Postage 8 cts.

Postmaster, by J.K. (mailing office)

Fig. 92. This receipt is given the sender when he insures a parcel sent by mail.

182. Registered mail. Valuable packages should be registered and a return receipt requested. This method is much favored by banks and brokerage houses for mailing stocks, bonds, or other valuable business papers. They register the securities in the same manner as Mr. Henry did the $25 in bills that he sent to John (Sec. 171), and cover the risk of loss or theft by a policy of insurance.

PENNSYLVANIA SYSTEM
EASTERN REGION
INVOICE

Broad Street Station, Philadelphia, July 5, 19—

Received and forwarded, *subject to conditions specified on receipt,*

Consignor Margaret Montgomery,
School Lane,
Philadelphia, Pa.

CONSIGNEE	NO. OF PACKAGES	DESTINATION
Mary Fox	3	Wayne, Pa.

Wm. B. Wells *Baggage Agent.*

Fig. 93. A package-express receipt.

183. Special delivery. A letter or a package marked *Special Delivery*, or bearing a special delivery stamp, is delivered from the office of destination by special messenger. The fee for special delivery is ten cents up to two pounds; fifteen cents from two to ten pounds; twenty cents from ten pounds to the limit of weight.

184. Railway package express. The baggage car is standard equipment on most railway trains, and the baggage man an important member of the crew. In addition to caring for the luggage of the patrons of the road, he assists in the safe and speedy transportation of all kinds of parcels. The farmer sends a hamper of fresh vegetables to his customer in the city. The business man purchases provisions for shipment to his suburban home in time for the preparation of the evening meal. These are typical of the services rendered by the railway package express. (Fig. 93.)

185. American Railway Express. In the larger cities and towns, the American Railway Express Company maintains a

collection and delivery service. On notification a driver calls, inspects the wrapping or packing, fills in and leaves with the sender a shipping receipt, and delivers the package to the express office at the railroad station for forwarding direct to the addressee. In smaller communities a package must be taken to the express office, or a call made there for it. Parcels may be sent prepaid, charges collect, or C. O. D.

‡UNIFORM EXPRESS RECEIPT.

The Company will not pay over $50, in case of loss, or 50 cents per pound, actual weight, for any shipment in excess of 100 pounds, unless a greater value is declared and charges for such greater value paid.

American Railway EXPRESS COMPANY.

NON-NEGOTIABLE RECEIPT.

August 10, 19—

Received from James M. Dallas subject to the Classifications and Tariffs in effect on the date hereof, One Box Books

, value herein declared by shipper to be Fifty ⁰⁰ dollars.

Consigned to Joseph Milton Rear

at 146 Fifth Ave, Pittsburgh, Pa. Charges, $1.46

Which the Company agrees to carry upon the terms and conditions printed on the back hereof, to which the shipper agrees, and as evidence thereof accepts and signs this receipt.

James Dallas
Shipper

B. A. Ross
For the Company.

Fig. 94. This receipt is given to the shipper when he sends a parcel by express.

They are not limited in size or weight. The rate is based on the kind of article, its weight, declared value, and the distance that it is to be sent. If lost or stolen the express company will reimburse the sender for the actual value up to $50.00 on shipments of 100 pounds or less, and for fifty cents a pound on shipments in excess of 100 pounds, unless a greater value is declared at the time of shipment and an extra fee paid.

186. Freight. Nearly every person has stood near a railroad right of way and watched the long freight trains roll by. They have wondered what these cars contained. Usually freight cars are filled with bulky articles, the speedy delivery of which is not an important factor. But sometimes they carry perishable merchandise which must be rushed through as *fast freight*.

Freight handlers are not as careful at times as they might be. Merchandise shipped by freight may get hard usage, and must be packed and addressed with extreme care. Unlike express, no collection or delivery service is maintained. Packages are delivered to the transportation company either by the shipper or by some one acting for him. Like express, they may be sent prepaid, charges collect, or on an order bill of lading. (Sec. 472.) The rate varies with the nature of the shipment, its weight, and the distance to be carried. If lost or destroyed in transit, adjustment may be had from the freight-claims division of the railroad company. When the package arrives at its destination, the *consignee* is notified to call for it.

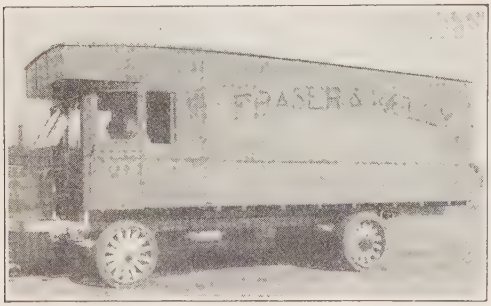


Fig. 95. The "overland express."

187. Motor truck. Down the road lumbers a huge motor truck. It looks like a moving van, except that it is larger. As a matter of fact, it is a moving van. But instead of household furniture, it carries packages, parcels, boxes, barrels, and crates containing goods of many kinds. Such trucks usually operate between large cities and towns within a hundred miles of each other. They gather a load in one city, travel all night, and deliver it in a second city the following morning. They are frequently referred to as the "overland express." With the building of more concrete highways this type of transportation will serve many more localities.

188. Notifying the addressee. When sending articles by any of the transportation agencies described in this chapter, the addressee should be notified by mail of the nature of the shipment, when sent, and by what means. The receipt which is issued by the transportation company must also be mailed to the consignee whenever the loss of the shipment would fall upon him.

QUESTIONS

1. Give one advantage and one disadvantage in sending goods by each transportation medium listed in Section 177. 2. "For small packages parcel post is probably the most satisfactory means." Criticize this statement. 3. Is it better to print or to write the sending and return addresses on a package? Explain. 4. Tell how to prepare and send a parcel-post package. 5. When is a receipt issued for a parcel-post package? 6. A dress worth $50 is sent by parcel post and is insured for $75. It is lost. How much will the post office pay? 7. Give the advantages of first-class mail over parcel post; the disadvantages. When is one justified in sending a package first class? 8. How may a parcel-post package be registered? Under what conditions does one register a package? How may the sender know it reaches the addressee safely? 9. What benefit is attained by placing a special-delivery stamp on a package in addition to the regular postage?

TOPICS FOR DISCUSSION AND INVESTIGATION

1. Find the meaning of each of the following: *consignor, consignee, prepaid, charge collect, C. O. D., bill of lading, way bill, manifest.* 2. May parcel-post packages contain written matter? express packages? Explain. 3. Describe how one may send money or jewelry by mail. 4. What kinds of articles may not be sent by parcel post? May eggs be sent by parcel post? 5. How must packages containing breakable articles be marked? flowers? fruits? 6. Investigate the express collection and delivery service of the railroads which serve your locality. 7. Describe the "overland express" in your locality. Find its schedule of arrivals and departures. What are its rates? Compare these charges with express rates; freight rates. 8. Which is the best form to use for the address on a freight shipment—a tag, a gummed label, or printing directly on the container? Give reasons for your answer.

PROBLEMS

1. Securely wrap and mark a package which contains any one of the following: A book to a friend in Chicago; a pencil to a boy in Omaha; a photograph to a girl in Buffalo; a Victrola record to a school in Denver; a ring to your sister in New Orleans. Determine the postage by use of a postal scale, and the schedule of rates shown on page 276. 2. What will it cost to insure each of the above packages? to send each by first-class mail? by registered mail? 3. Tell how you would prepare, address, mark, and send the following shipments: Six china cups and saucers to Savannah, Georgia; a barrel of apples to a grocer in Portland, Maine, in January; several books to a library in Columbus, Ohio, charges collect; a bicycle to a customer in Omaha, Nebraska. C. O. D.; a Liberty Bond to a person in Kansas City, Missouri.

Chapter XIII

THE TRAVELER

189. The traveler. Normal boys, girls, men, and women like to travel, to see new lands, other peoples, strange sights. Fortunately, it is comparatively easy today to get about from place to place. Nearly every locality in the world is reached by at least one of the modern means of transportation: the trolley or interurban electric line, the railroad, the steamship, the automobile, the airplane. A girl uses the trolley car to visit friends in a near-by city; a boy, the railway train to his summer camp; a merchant, the steamship to Paris for the new styles; a family, their automobile for a vacation among the mountains or at the seashore; a company of army officers, an airplane for a flight around the world. All are travelers.

190. The railroad. Probably the most common carrier for overland journeys to distant places is the railroad. Marvelous has been its growth from the little puffing, wheezing locomotive of 1828, belching black smoke and red hot cinders in its tremendous effort to move three or four tiny coaches along a few miles of track, to the completely equipped "limited" of today, capable of better than a mile a minute over much of the 253,000 miles of rails which bind our country with bands of steel. Travelers are no longer content with mere transportation from place to place. They have demanded other conveniences which the railroad companies have granted. Whether one lives in a big city, a small town, or in the country, some day he will go on a long journey by rail. A knowledge and use of the services maintained by the railroads at their great terminals and many way stations will add materially to the pleasure of his journey.

191. Bureau of information. Many of the larger railway

Fig. 96. The "Twentieth Century Limited" on its journey between Chicago and New York.

stations have information bureaus; but at the smaller ones this service is performed by the agent. These bureaus are equipped with time-tables of the important railroads of our country, transportation maps, illustrated folders of interesting features along the various lines, and a general railroad guide containing time-tables of all the railroads in the United States. From the information clerk one may learn the time of arrival and departure of trains, the best routes to choose, and the rates of fare. He may also learn about excursions, baggage regulations, chair cars, dining cars, and sleepers.

192. Time-tables. Information clerks should not be asked questions that the traveler may easily answer for himself from the time-tables. Figure 97 is a sheet from a time-table in use by the Chicago and Northwestern Railroad. When does No. 19 (Continental Limited) leave Chicago? A. M. or P. M.? How did you determine? After leaving Omaha over what

route does it travel? How long does it stop at North Platte? Pocatello? Does the same train which left Chicago go to Boise? When does it arrive at Portland?

WESTBOUND				Table No. 2 All trains daily	EASTBOUND			
Continental Limited 2d No. 19 Example		Ore-Wash. Limited No. 17 Example			Ore-Wash. Limited No. 18 Example		Atlantic Express No. 4 Example	
				Central Time Chicago & North Western				
Sun.	10.30	Sun.	9.30	Lv.....Chicago.....Ar	11.00	Wed.	9.30	Wed.
Mon.	1.00	Mon.	10.50	Ar.....Omaha.....Lv	9.00	Tue.	7.35	"
				Union Pacific System				
"	1.20	"	11.15	Lv.....Omaha.....Ar	8.45	"	7.00	"
"	2.18	"	12.22	Lv.....Fremont.....Lv	7.42	"	5.55	"
"	4.55	"	2.55	Lv...Grand Island...Lv	4.50	"	3.05	"
"	6.14	"	4.00	Lv.....Kearney.....Lv	3.40	"	1.45	"
"	7.20	"	4.54	Lv....Lexington....Lv	2.52	"	12.44	"
"	8.10	"	5.31	Lv...Gothenburg...Lv	2.16	"	12.01	"
"	9.22	"	6.25	Ar....North Platte...Lv	1.20	"	11.00	Tue.
				Mountain Time				
"	8.30	"	5.35	Lv...North Platte...Ar	12.15	"	9.50	"
"	10.38	"	7.49	Lv....Julesburg....Lv	10.11	"	7.26	"
"	11.55	"	9.05	Lv.....Sidney.....Lv	9.10	"	6.05	"
"	3.10	Tue.	12.20	Ar....Cheyenne....Lv	6.20	"	3.00	"
"	3.25	"	12.35	Lv....Cheyenne....Ar	6.00	"	2.30	"
"	5.30	"	2.40	Lv.....Laramie.....Lv	4.00	"	12.35	"
"	8.45	"	6.15	Lv.....Rawlins.....Lv	12.35	"	9.10	"
Tue.	12.05	"	9.42	Lv..Rock Springs..Lv	9.10	Mon.	5.45	
"	12.30	"	10.05	Ar...Green River...Lv	8.35	"	5.15	"
"	1.20	"	10.25	Lv...Green River...Ar	7.45	"	5.00	"
"	3.30	"	12.45	Lv...Kemmerer...Ar	5.40	"	2.53	"
"	8.45	"	6.00	Ar....Pocatello....Lv	11.55	"	9.15	Mon.
				Pacific Time				
"	8.15	"	6.00	Lv....Pocatello....Ar	10.25	"	7.40	"
"	9.55		7.50	Lv....Minidoka....Lv	8.45	"	5.45	"
"	11.08		9.10	Lv....Shoshone....Lv	7.20	"	4.10	"
"	2.58	Wed.	1.50	Ar.....Nampa.....Lv	3.00	"	11.05	"
"	3.20	"	3.05	Lv.....Nampa.....Ar	1.40	"	10.35	"
"	4.05	"	3.50	Ar.....Boise.....Lv	12.55	"	9.50	"
"	3.13	"	2.05	Lv.....Nampa.....Ar	2.45	"	10.50	"
"	4.50	"	3.43	Lv.....Payette.....Lv	1.20	"	9.22	"
"	6.10	"	5.10	Lv...Huntington...Lv	12.21	"	8.20	"
"	7.48	"	7.05	Lv.....Baker.....Lv	9.55	Sun.	5.54	"
"	9.55	"	9.00	Lv....LaGrande....Lv	8.05	"	3.35	"
Wed.	1.05	"	12.25	Lv....Pendleton....Lv	5.00	"	12.20	"
.....	.....	.....	.....	Lv....Umatilla....Lv	.....	.....	.....	.....
"	5.30	"	4.35	Lv...The Dalles...Lv	11.45	"	8.10	Sun.
"	6.10	"	5.15	Lv...Hood River...Lv	10.55	"	7.20	"
"	8.30	"	7.30	Ar....Portland....Lv	9.00	"	5.00	"
"	10.00	"	11.15	Lv....Portland....Ar	6.15	"	4.40	"
"	3.10	Thu.	4.50	Ar.....Tacoma.....Lv	12.40	"	11.35	"
"	4.40	"	6.30	Ar.....Seattle.....Lv	11.15	Sat.	10.00	"

Fig. 97. One page from a railroad time-table.

193. The ticket office. After one has secured the information that he needs for his journey, he is ready to purchase a ticket. These may be bought at all but the very smallest way stations, and at ticket offices conveniently located in the business sections of our large cities. The traveler may purchase a one-way ticket, which entitles him to transportation to the station named; an excursion ticket, which is sold at a reduced rate but must be used within a limited time; a commutation ticket, which is issued for a stated number of trips between the stations printed on the ticket; a mileage book.

194. Mileage books. These are sometimes called *script books*. They may be purchased at all ticket offices. They

Fig. 98. Railroad ticket offices are found in the business sections of all large cities as well as at the railroad stations.

contain coupons, each good for a definite sum. The traveler hands his mileage book to the conductor instead of a ticket. The conductor tears out coupons equal in value to the regular fare and returns the book. The mileage coupons may also be used to purchase a ticket. Script is used by those who travel a great deal on railway trains. It obviates the necessity of buying a ticket every time a journey is to be taken.

195. Baggage. One full-rate ticket entitles the holder to transportation for himself, and baggage not to exceed 150 pounds or forty-five inches in any dimension. This luggage must be inclosed in sturdy trunks, satchels, bags, or boxes, securely fastened, provided with handles, plainly marked with the traveler's name and station of destination, and delivered together with the traveler's railroad ticket to the agent at the *outgoing* baggage room. The agent punches and returns the

ticket, fills in a baggage check in duplicate, gives one to the traveler, and fastens the other to the baggage. On arrival at his destination, the traveler presents this check at the *incoming* baggage window and receives his trunk or bag. If the claim check is lost, proof of ownership must be established, and on some railroads a fee of fifty cents must be paid.

196. Excess baggage. A traveler's baggage may, however, be in excess of the weight or size which is allowed for free transportation on any one ticket. This additional weight or size is referred to as *excess baggage* and must be paid for according to a schedule of rates for such service. No single piece of baggage exceeding 250 pounds in weight or 72 inches in greatest dimension, or single shipment exceeding $2500 in value, will be checked.

New York Central RAILROAD

Station Grand Central (Date) July 6, 19—

VALUATION OF BAGGAGE

The property covered by Checks numbered

176543

is valued at not exceeding $ One Hundred Dollars

and in case of loss of or damage to such property, claim will not be made for a greater amount.

Number of Passengers 1

(Signed) J. M. Moore
Shipper

(Address) 2916 Canal St., Rochester, N. Y.

Baggage of excess value will be charged for subject to tariff regulations.

Fig. 99. A baggage valuation form.

197. Baggage lost in transit. An average of less than one piece of baggage in a million is lost beyond recovery, and not one in two thousand is delayed. If a passenger fails to find his luggage when he arrives at his destination or within a reasonable time thereafter, he should request the baggage agent at the station to have it traced.

198. Baggage damaged in transit. Should the baggage when found be damaged, the transportation company will not be liable unless a claim form is filed with the agent before the baggage is removed from the station.

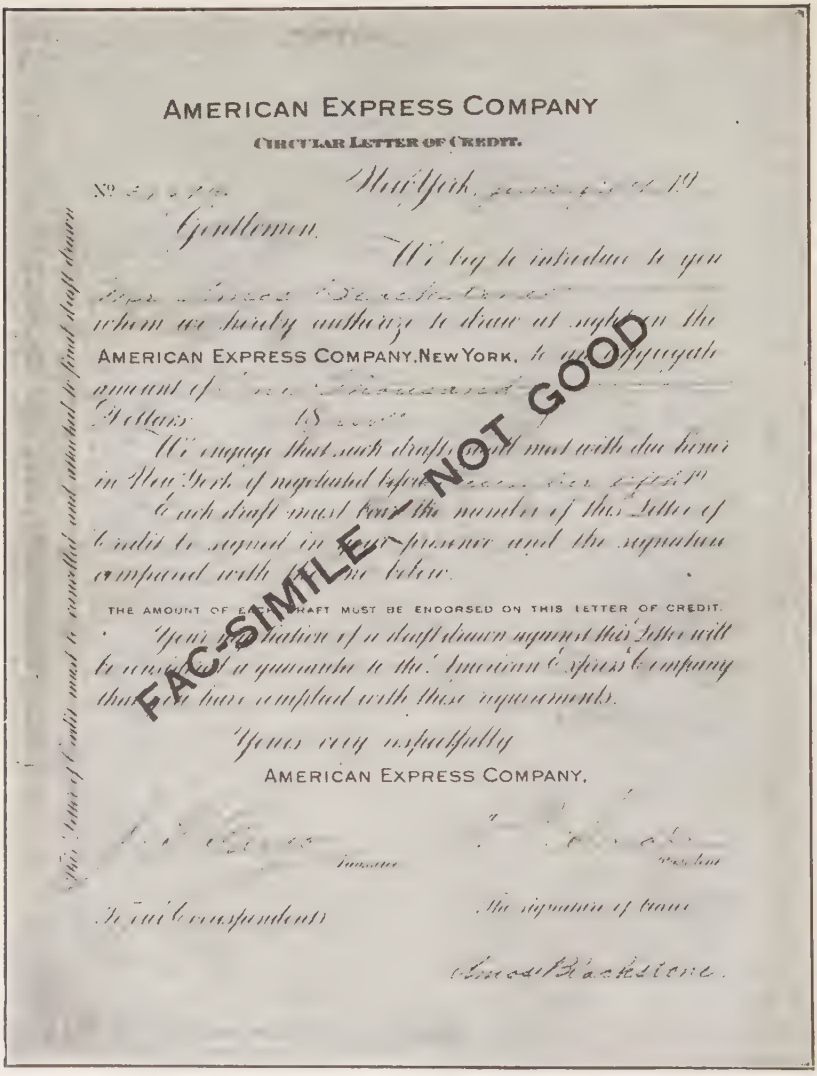
199. Liability for loss or damage. Figure 99 shows the value-declaration form filled in by James Moore when he checked his baggage. If the baggage is lost or damaged in transit, the railroad company will pay him the amount of his loss up to $100. Under what conditions may Mr. Moore declare a valuation in excess of $100?

200. Storage charges. Railroads cannot permit their baggage rooms to be used for storage. They make a charge, varying with the number of days, for all baggage remaining at the station more than twenty-four hours. Sundays and holidays are not included in the first twenty-four hours.

201. Parcel rooms. These are maintained at the larger stations for the convenience of the traveling public. Here parcels, umbrellas, or hand luggage may be checked for a few hours while one is sight-seeing, shopping, attending to business, or at the theater. A small fee is charged for this service.

202. Pullman service. Chair cars and sleeping cars are attached to many express trains in addition to the regular day coaches. This special equipment may be recognized usually by the word *Pullman* painted in bold letters above the windows and *Nantucket, Adelaide,* or some other such name, below. A chair car is fitted with chairs instead of cross seats; a sleeping car, with sleeping compartments called *berths.* A fee in addition to the regular fare is charged for the reservation and use of these conveniences. Pullman reservations may be made at the ticket offices of the Pullman Company in the larger stations, through the agent at way stations, or with the Pullman conductor on the train. As the capacity of any Pullman car is limited, a traveler can be certain of accommodations only if he makes his reservation in advance.

203. Lost and found departments. Train crews are instructed to hand all articles found in the car to the conductor



AMERICAN EXPRESS COMPANY

CIRCULAR LETTER OF CREDIT.

No. ... New York, ... 19..

Gentlemen,

We beg to introduce to you ... whom we hereby authorize to draw at sight on the AMERICAN EXPRESS COMPANY, NEW YORK, to an aggregate amount of ... Dollars ($...).

We engage that such drafts shall meet with due honor in New York, if negotiated before ... 19..

Each draft must bear the number of this Letter of Credit and be signed in our presence and the signature compared with that on file here.

THE AMOUNT OF EACH DRAFT MUST BE ENDORSED ON THIS LETTER OF CREDIT.

Upon presentation of a draft drawn against this Letter will be considered a guarantee to the American Express Company that we have complied with these requirements.

Yours very respectfully

AMERICAN EXPRESS COMPANY,

Manager ... Cashier

To our Correspondents

The signature of ...

FAC-SIMILE NOT GOOD

This Letter of Credit must be countersigned and attached to first draft drawn

Fig. 100. The first page of a circular letter of credit.

for forwarding to the *Lost and Found Department* at the terminal. If a traveler discovers his loss before leaving the train, the article, if found, may be had from the conductor; if the

loss is discovered after alighting, a claim must be made through the local station agent or at the terminal station.

204. Unused tickets. The purchase price on an unused railroad ticket will be refunded on application to the issuing agent or to the general offices of the company. The purchase price on an unused Pullman ticket will be refunded on application before the departure of the train, but afterwards, only if the chair or berth is resold.

205. Making railroad connections. If passengers are to be received from other divisions or lines, a train may be held at a junction point a few minutes beyond the scheduled time for departure. Travelers who desire to make such connections should notify the station agent or conductor.

206. Traveler's Aid. Authorized representatives of the Traveler's Aid Society are regularly on duty in the terminal railway stations of more than one hundred seventy cities in the United States. Their duties are to protect and aid travelers, especially very young people, very old people, and others who are unused to the hurry and bustle of arrival and departure so characteristic of a large terminal. In addition they find suitable lodging places and employment for strangers coming into the community, and they investigate the varied inducements that caused these persons to leave their homes. Representatives of the Traveler's Aid Society always wear a nationally adopted badge by which they may be identified.

207. The traveler's money. Travelers must carry money for the expenses of their journeys. Coins or bills, if lost, can be used by the finder without the slightest difficulty or danger. Letters of credit, traveler's checks, postal- or express-money orders, personal, certified, or cashier's checks, bank drafts, and certificates of deposit, if lost, cannot be used by the finder without committing forgery.

208. Letter of credit. Amos Blackstone intends to visit England, France, Germany, and Switzerland during the coming summer. He estimates that the trip will cost $1000. He realizes that he will need money for his expenses in each coun-

try that he visits, but he is undecided in what form to carry his funds. A friend suggests a letter of credit. This may be purchased for a small fee in addition to the amount of the letter, at any large commercial bank. This letter introduces Mr. Blackstone to certain bankers in England, France, Germany, and Switzerland, requests each to cash drafts (Sec. 58) for him in the currency of the country up to an amount equivalent to $1000, and promises to redeem such drafts on presentation. It contains the signature of the purchaser. (Fig. 100.)

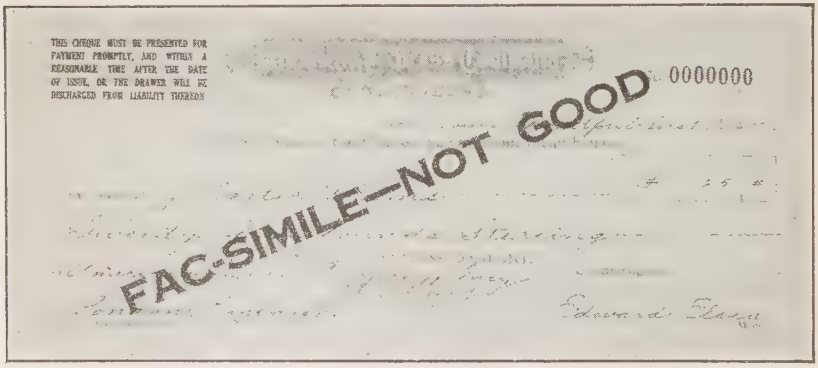

THIS CHEQUE MUST BE PRESENTED FOR PAYMENT PROMPTLY, AND WITHIN A REASONABLE TIME AFTER THE DATE OF ISSUE, OR THE DRAWER WILL BE DISCHARGED FROM LIABILITY THEREON
0000000
FAC-SIMILE—NOT GOOD

Fig. 101. Remittances may be made safely to practically any part of the world by means of American Express checks. These checks may be purchased at any office of the express company.

When Mr. Blackstone arrives in London, he presents his letter of credit to the proper bank, and in the presence of one of the officers signs a draft for £20. The official compares the signature on the letter of credit with that on the draft, finds them in agreement, enters the date and amount on an inside page of the letter, and returns it with the £20. When Mr. Blackstone crosses to France, he may procure funds in the same way, and likewise in Germany and in Switzerland. Any balance which remains may be had at the bank which sold the letter. While letters of credit are generally used for travel in foreign lands, domestic letters of credit are also issued for the convenience of travelers in the United States.

209. Travelers' checks. Figure 102 shows a travelers' check. These checks may be purchased for a small fee in addition to the amount of the check from banks, express companies, and steamship companies. When a traveler purchases a check he must write his signature on the line provided for that purpose. (Fig. 102.) When he has the check cashed, he must countersign it in the presence of the person called on to accept the check. This simple plan of countersigning in the presence of the payee is usually sufficient identification.

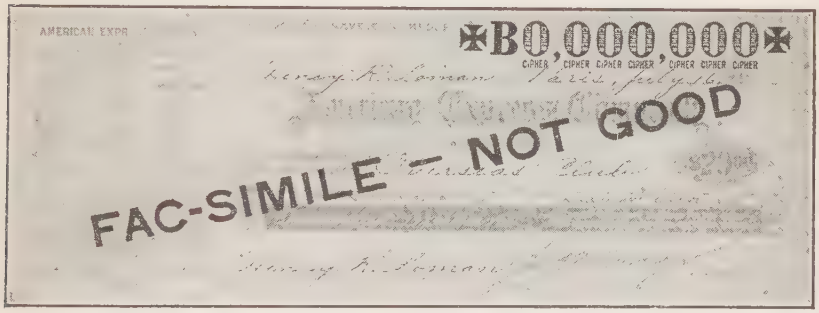


Fig. 102. Travelers' checks are one of the most convenient forms of travel money.

Travelers' checks are a more convenient form of travel money than letters of credit, for the checks are accepted by hotels, stores, railroad, and steamship offices, as well as by banks; but letters of credit are honored only at certain specified banks.

210. Other safe methods. Other forms of travel money were listed in Section 207. Each form there set down is used daily by many travelers. With the exception of the holder of a letter of credit or a travelers' check, the payee, if unknown, must be identified or vouched for by some responsible person. Many times identification is a very simple problem, but at other times it is very difficult. These forms are useful, but their limitations must be recognized.

QUESTIONS

1. Which is the most serviceable form of transportation of those listed in Section 189? Have any modern means of transportation been omitted? 2. "Travelers are no longer content with mere trans-

portation." Explain. 3. "May I have a time-table to Chicago?" "When does the Twentieth Century Limited leave?" Which of these questions should not have been asked? Why? 4. What do you understand by an excursion ticket? a commutation ticket? a script book? 5. Give two advantages in the use of script books. 6. What is "excess baggage"? 7. What should a traveler do if his baggage is delayed in transit? lost in transit? damaged in transit? 8. What is a chair car? a sleeper? a diner? a day coach? 9. How are Pullman reservations made? 10. After purchasing a railroad ticket and a Pullman reservation, you find it necessary to postpone your trip. What will you do with your tickets? 11. Under what conditions would you buy a mileage book? 12. Why is it unsafe to carry coin or bills in large amounts while traveling? 13. Discuss the relative advantages and disadvantages of letters of credit and travelers' checks.

TOPICS FOR DISCUSSION AND INVESTIGATION

1. Find out about the invention of the steam locomotive; about the first railway in America. 2. How much of the railway mileage of the world is in the United States? 3. Secure a time-table and read the information that it contains in addition to the schedule of arrival and departure of trains. 4. When on a journey how may you determine the number of coupons to be removed from a mileage book? 5. What is meant by "extra-fare train"? "limited"? "solid Pullman"? 6. Concerning the railroad nearest your school: What is its name? What service does it maintain for your convenience in traveling? What is the fare a mile for one passenger? Who decides the rate? 7. Justify the control of railroad rates by our Government. 8. What is the "right of eminent domain"? Should railroads be permitted to exercise this right under proper government supervision?

PROBLEMS

1. With the aid of a time-table of one of the railroads passing through your city or town, plan one of the following trips. State the name of the train, its time of departure, its time of arrival, and any connecting points if necessary. (*a*) A trip to a city or town within fifty miles of your home. (*b*) A trip within one hundred miles of your home. (*c*) A trip within two or three hundred miles from your home on which it is necessary to make connections with another railroad. (*d*) A trip beginning in the late afternoon or night on which Pullman reservations are needed. (*e*) A day trip on which Pullman reservations are needed. (*f*) A trip from Chicago to Seattle using the time-table on page 122. 2. When school is over, your father is going to take you to Yellowstone National Park. Make all necessary railroad reservations, and arrangements for carrying the money for your expenses.

Chapter XIV

BUSINESS LAW

211. Robinson Crusoe. On his lonely island Robinson Crusoe was governed by no law except the laws of nature to which all are subject. Whatever he might desire, he took. Whatever he wished to do, he did. He was a free lance. But not so when his man Friday arrived. His freedom then was limited somewhat by the presence of another human being. He must consult Friday and between them they must determine how best they may live on the island and plan their rescue. Certain duties fell to Crusoe, others to Friday. The simple rules to which both agreed concerning their several duties, even though such rules did not appear in writing, were laws.

212. Necessity for law. But suppose that many people had come to live on Crusoe's island. Then Robinson would have had to gather about him the older and wiser members of the group, and to agree to a set of laws which all must obey in order that each might enjoy the greatest amount of liberty without interfering with the rights of his fellows. Laws are rules which govern men in their relation to each other.

What would you think of a baseball player who, when at bat, insisted on taking a fourth strike? The privilege of a fourth strike might result in a home run and four runs could be scored, but the player would be breaking a rule of the game. All good sportsmen obey the rules. As in the game of baseball, so in the game of life, laws are necessary. This is particularly true in business. Laws tell the merchant, manufacturer, professional man, and artisan what they may do and what they may not do. They require the person dishonestly inclined to respect the rights of others, to keep his word, and to fulfil his promises or to accept punishment for his unlawful acts.

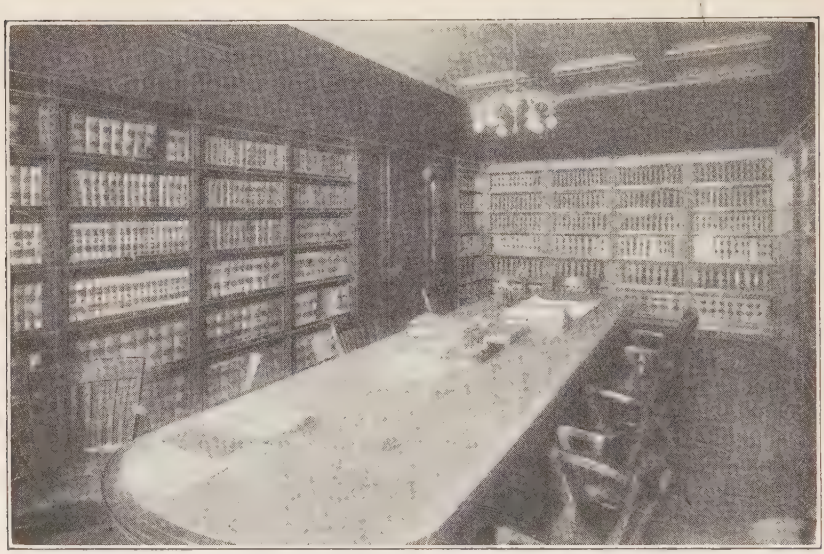


Fig. 103. A well-equipped law library.

213. **Business law.** To protect himself adequately in his business dealings and to avoid mistakes in carrying out his business obligations, every individual, no matter what his job, may become familiar with the fundamental rules which govern contracts, negotiable instruments, agency, and personal and real property.

214. **A contract.** John Smith desires to inclose the front porch of his home. He consults Frank Searles, a builder. They visit a few inclosures which Mr. Searles has built, and decide on the type most fitting for Mr. Smith's dwelling. The contractor makes his measurements, and in a few days mails to Mr. Smith an offer to construct a porch inclosure for the sum of $375. Mr. Smith accepts the offer. This offer and acceptance contain all the elements of a legal contract.

215. **What a legal contract must contain.** A contract to be enforceable must contain an offer and an acceptance made under seal or upon sufficient consideration by competent parties for a legal object. In addition, some contracts must be in writing.

216. Offer and acceptance. All true contracts begin with an agreement, that is, some form of offer and acceptance. What did Frank Searles agree to do in the contract cited? (Sec. 214.) What did John Smith agree to do? Name five other such agreements.

217. Seal or consideration. John Smith soon was able to enjoy a comfortable front porch, but he had to agree to part with $375. Frank Searles received this sum, but had to labor five days and to pay out a part of the contract price for materials and a building permit. Each gave up something in order to receive a benefit. This is the consideration.

Some written contracts contain a seal. This may be an impression in wax affixed to the document, a disk of gummed colored paper pasted thereon, or the word *Seal* written or printed after the signatures of the parties. Whatever form a seal may take, its presence is understood to mean that the contract was solemnly made and that the parties seriously intended to be bound by its terms.

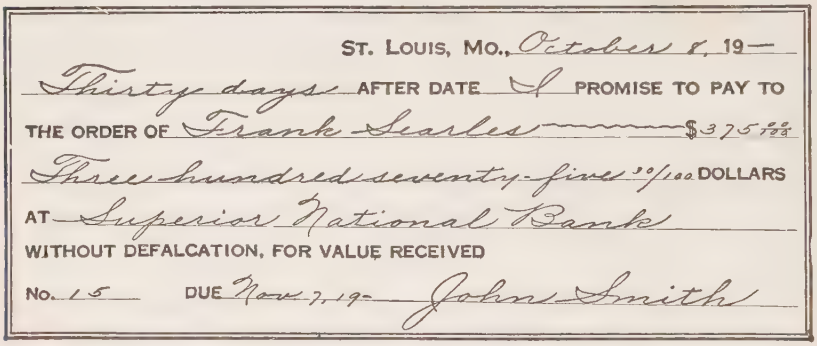
218. Competent parties. In order to protect certain persons against others who might endeavor to take unfair advantage of them, the law does not recognize as contracts agreements made by boys and girls under the legal age (usually 21 years), by insane persons, by those under the influence of liquor or of drugs, or by convicted criminals. A minor or an insane person may, however, contract for necessities such as food, clothing, shelter, education, or medical attention.

219. Legal object. If two thieves agree to rob a house and one fails to appear at the appointed time and place, the other obviously cannot sue him for breaking his agreement. Why not? But if Mr. Smith refuses to pay for his porch, and Mr. Searles can prove that the work was done according to specifications, Mr. Smith can be compelled to pay for the job. Building a porch is a legal act.

220. Contracts in writing. Many people think that all contracts must be in writing. Of course it is safer to have contracts written and signed by the parties to the agreement.

but millions of oral contracts are made every day. Each time a passenger boards a street car and pays his fare he contracts with the transportation company to carry him to some point along the route of that car. He signs no agreement, but the contract is legal.

However, contracts to sell real estate, contracts to sell personal property over a fixed amount in value, contracts which are not to be performed within a year, contracts to answer for the debts of others, and contracts for the leasing of


ST. LOUIS, MO., October 8, 19—

Thirty days AFTER DATE I PROMISE TO PAY TO

THE ORDER OF Frank Searles $375 00/100

Three hundred seventy-five 00/100 DOLLARS

AT Superior National Bank

WITHOUT DEFALCATION, FOR VALUE RECEIVED

No. 15 DUE Nov. 7, 19— John Smith

Fig. 104. A promissory note, negotiable, and payable in a definite time.

real estate beyond a period of three years, are required by the laws of most of the states to be expressed in writing.

A contract need not be phrased in technical language which only the skilled lawyer knows how to use. The simple offer to build an inclosure which was made by Frank Searles and accepted by John Smith is valid before the law.

221. **Negotiable instruments.** The check, promissory note, draft, and trade acceptance are four illustrations of negotiable instruments. They are called *negotiable* because ownership may be transferred by indorsement. (Sec. 47.)

222. **Checks.** These were explained in Sections 46–53.

223. **Promissory notes.** When the porch inclosure was completed John Smith did not have $375 on hand to pay, so he gave Frank Searles his promissory note. (Fig. 104.) This is a written agreement to pay a certain sum of money at

a definite time and place. "John Smith" is known as the *maker* of the note; "Frank Searles," the *payee;* "$375," the *face;* "30 days," the *time;* "October 8," the *date of the note;* "November 7," the *date of maturity;* and "for value received," the *consideration.* Notes usually bear interest from the date of writing to the date of maturity at the legal rate in the state where issued. Non-interest-bearing notes, however, are quite common. Notes may run for a definite time or they may be payable on demand. If they contain the words *or order* or *or bearer,* they are negotiable. If they do not contain these words, they are non-negotiable; that is, they cannot be transferred by indorsement. They may, however, be assigned.

224. Use of promissory notes. Promissory notes are given in settlement of personal accounts, in place of cash for the purchase of merchandise, or when money is borrowed. As John Smith's note is negotiable (Fig. 104), Frank Searles may hold it if he wishes, or he may indorse it in blank or in full (Sec. 47), and sell it (called *discounting* the note) at his bank, or to another party such as the Builders Lumber Company with whom he has an account. Frank Searles is referred to as the *indorser* of the note, the Builders Lumber Company as the *indorsee.*

225. Protest. On November 7 the Builders Lumber Company presented to John Smith his note for $375. He refused to pay it. The company immediately laid the facts of the case before a notary public, who, after he had presented the note for payment and payment being refused, filled in and attached to the note a formal *certificate of protest.* This states that the Builders Lumber Company had requested John Smith to pay his note, that payment had been refused, that it is now publicly protesting this refusal, and that it will hold every indorser for payment. If notice of this protest is mailed immediately to Frank Searles, he will be required to pay the face of the note, interest, and protest fee, in case John Smith cannot be compelled to meet his just debt.

226. Drafts. A commercial draft is a written order, nego-

tiable in form, drawn by one person on another person to pay a certain specified sum of money to a third person. Figure 105 shows one type of commercial draft. In this paper the Builders Lumber Company (called the *drawer*) requests Frank Searles (the *drawee*) to pay $395.60 to the Southern Yellow Pine Association (the payee). If Frank Searles decides to pay the draft he must write "Accepted," the date, and his signature across the face of the paper. It then may be transferred by indorsement, or protested if not met when due.

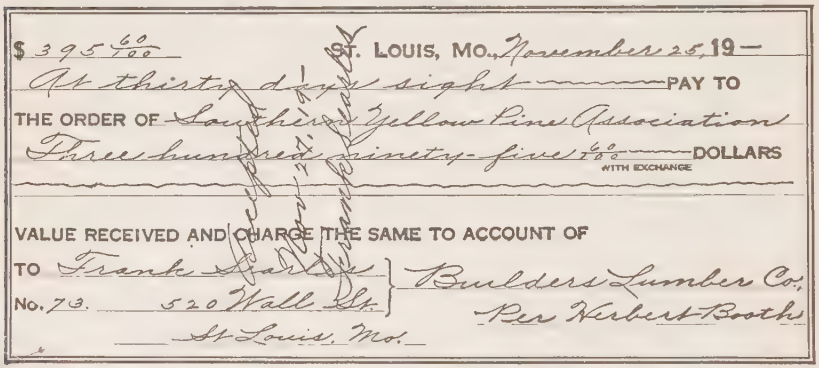

$ 395 60/100
ST. LOUIS, MO., November 25, 19—
At thirty days sight PAY TO
THE ORDER OF Southern Yellow Pine Association
Three hundred ninety-five 60/100 DOLLARS
WITH EXCHANGE
VALUE RECEIVED AND CHARGE THE SAME TO ACCOUNT OF
TO Frank Searles
No. 79 520 Wall St.
St. Louis, Mo.
Builders Lumber Co.
Per Herbert Booth
Accepted
Nov. 27, 19—
Frank Searles

Fig. 105. A three-party time draft which has been accepted by the drawee.

227. Trade acceptance. This business paper (Fig. 106) is very similar in form and use to the commercial draft. Wholesale merchants and manufacturers frequently send a *trade acceptance* with the invoice. When the purchaser of the goods accepts the paper, he returns it to the drawer, who may discount it at his bank.

228. Agency. An *agent* is defined as one who acts for another, called the *principal*. If John Smith engages a real-estate broker to sell his house, the broker is the *agent*, John Smith is the *principal*. The rules and customs which govern their relations to each other make up the law of *agency*. A contract between agent and principal need not be in writing unless the agent is empowered to make contracts for his principal that must be in writing.

If Frank Searles, however, employs a number of carpen-

ters, he is their *master*, they are his *servants*. Mr. Searles is personally responsible for the quality of the work done by his men. He must pay them the wages agreed upon, and reimburse them for any expenses necessarily incurred in their work. In some states, he must pay damage if an employee is injured or killed in the performance of his duties. In return, each carpenter is required to obey all lawful instructions, to be loyal to his employer, and to do each job as diligently and skilfully as he can.

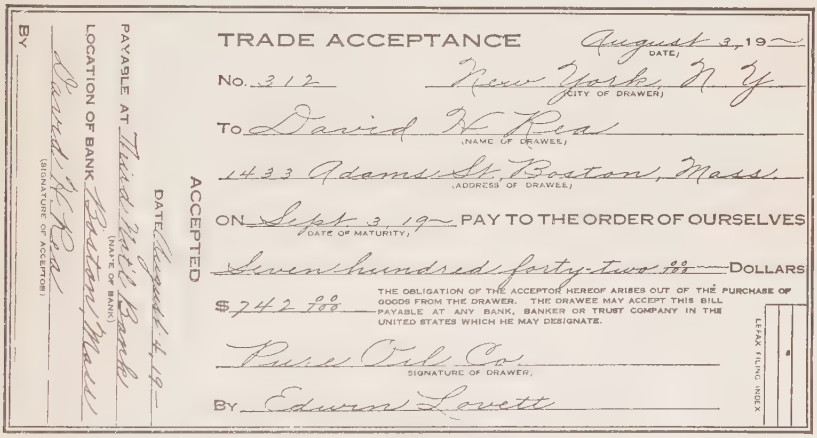

TRADE ACCEPTANCE August 3, 19—
(DATE)
No. 312 New York, N. Y.
(CITY OF DRAWER)
To David K. Rea
(NAME OF DRAWEE)
1423 Adams St. Boston, Mass.
(ADDRESS OF DRAWEE)
ON Sept 3 19— (DATE OF MATURITY) PAY TO THE ORDER OF OURSELVES
Seven hundred forty-two ⁰⁰/₁₀₀ DOLLARS
$742.00
THE OBLIGATION OF THE ACCEPTOR HEREOF ARISES OUT OF THE PURCHASE OF GOODS FROM THE DRAWER. THE DRAWEE MAY ACCEPT THIS BILL PAYABLE AT ANY BANK, BANKER OR TRUST COMPANY IN THE UNITED STATES WHICH HE MAY DESIGNATE.
Pure Oil Co.
SIGNATURE OF DRAWER
By Edward Lovette
ACCEPTED
DATE August 4, 19—
PAYABLE AT Third Nat'l Bank
(NAME OF BANK)
LOCATION OF BANK Boston, Mass.
By David K. Rea
(SIGNATURE OF ACCEPTOR)
E-Z-PAK FILING INDEX

Fig. 106. A trade acceptance which has been properly filled in, and accepted.

229. Property. The dictionary defines property as "the thing owned." It is of two types: real and personal. Name three illustrations of real property (Sec. 37); five illustrations of personal property. Make a list of as many more examples of each type as can be thought of in ten minutes.

230. Sales. "We have some crisp, white celery at twenty-five cents a bunch," remarked a produce dealer to one of his customers. The customer bought a bunch. This simple act has in it all the elements of a legal sale; that is, a transfer by which the seller passes ownership of property to the buyer in return for money or the promise to pay money.

231. Sale of personal property, the bill of sale. Many

householders desire to dispose of worn furniture or cast-off clothing. A secondhand dealer or a neighbor may purchase such articles with no more formality than that which attended the transaction over the bunch of celery. If one desires, however, to purchase a used piano, an automobile, or any other item of valuable personal property, it is wise to secure a *bill of sale.* This is a statement in writing of the terms of the sale, signed and sealed by the seller and delivered to the purchaser in the presence of witnesses. Printed bills of sale with blanks to be filled in may be bought at stationery stores.

232. **Memorandum of agreement.** The law presumes that a sale is to be immediately followed by payment and delivery of the goods. If ownership, however, is to pass at some future time, a memorandum of the agreement should be drawn in duplicate. This need contain only a description of the goods, the sale price, time of payment, and identity of the parties. When signed, witnessed, and a copy delivered to the buyer and to the seller, it acts to prevent later disagreements as to the terms of the sale.

233. **Rights of the seller.** If, after the contract of sale has been made, the buyer refuses to accept the goods, the seller may either sue him for the purchase price, or resell and recover damages for any loss which he sustained. If, after receiving the goods, the buyer refuses to pay, the seller may sue him for the contract price.

234. **Rights of the buyer.** If the seller refuses to deliver goods which he has sold, the buyer may sue him for damages. If the goods can be purchased nowhere else, the buyer may force delivery through court proceedings.

235. **Warranties.** The produce merchant (Sec. 230) asserted that his celery was crisp and white. If, when the housewife returned home from market and opened the package, she found the celery badly withered, she could compel the merchant to take it back and refund the purchase price. As in this simple transaction so in all sales, the seller's guarantee (warranty) becomes a part of the contract. One must

distinguish carefully, however, between an assertion that an article is thus and so, and a mere expression of an opinion about it. The latter cannot be considered as a part of the agreement of sale.

236. Delivery on approval. When goods are delivered to a buyer on trial or approval, ownership passes to the buyer as soon as he signifies his approval, or retains the goods beyond the time allowed for examination, or, if no limit is mentioned, beyond a reasonable time.

237. Sale of real property. Very few people go through life without at some time or other being interested in the purchase or sale of a piece of real property. All that most individuals need to know about such a transfer is that it *must be in writing,* that the papers should be drawn up by a competent lawyer or real estate broker, that title insurance (Sec. 63) should be secured, and that the deed must be recorded.

238. Agreement of sale. When buyer and seller enter into an agreement for the purchase and sale of real estate, the agreement must be made in writing. This agreement is called the *Agreement of Sale.*

239. Deeds. When the buyer and seller are ready to perform the agreement, the seller signs a deed under seal and delivers it to the buyer, who in turn pays to the seller the agreed price for the property. This deed transfers the title of the property from the seller to the buyer. Deeds should be recorded in the office of the Recorder of Deeds of the county in which the property is located.

240. Lease. A lease is a contract made between the owner of real or personal property, called the landlord or lessor, and another called the tenant or lessee, whereby the tenant acquires the right to the use of the property in return for rent. A lease should be in writing, and must clearly set forth the terms and conditions of the agreement.

QUESTIONS

1. Name some laws of nature to which all living creatures are subject. 2. Give a few of the simple rules to which Robinson Crusoe

and Friday probably agreed. 3. Define law. 4. A boy makes an appointment with another boy to go fishing. Is this an agreement? a contract? 5. Why is it advisable to have all important contracts in writing? 6. What contracts must be in writing? 7. Name the five elements necessary to all contracts. 8. Who are competent to make contracts? 9. Name five kinds of negotiable instruments. Which one is most commonly used? 10. A promissory note is not paid when due. What happens? 11. Distinguish between a bank draft and a commercial draft. 12. How may a merchant get cash for a trade acceptance? 13. Distinguish between real and personal property. 14. When is a bill of sale necessary? a memorandum of agreement? 15. Give an illustration of "warranty." Explain. 16. Give an illustration of a lease.

TOPICS FOR DISCUSSION AND INVESTIGATION

1. Suppose at twelve o'clock tonight your community resolved to do away with all law. Would you tomorrow enjoy more or less liberty than you enjoy at present? Explain. 2. Find something of the origin and use of the signet ring. 3. What is the meaning of "L. S." on legal documents. 4. What is a joint and several note? a judgment note? a collateral note? 5. Learn about the duties of a notary public. 6. Suppose Frank Searles had never been notified of protest of John Smith's note. Would Searles still be liable for payment? 7. What is a time draft? a sight draft?

PROBLEMS

1. Draw up a set of laws for the government of your classroom. 2. Suppose J. H. Simpson employed you to work in his office each Saturday during the school year, and agreed to pay you twenty-five cents an hour. Prepare a simple contract for your agreement with Mr. Simpson. 3. You purchase a bicycle from John Smith for $20.00 and give in payment your note due in sixty days. Write the note. Use the current date. 4. You bought from John Williams a bill of goods amounting to $12.50 and gave a check in payment. Is it necessary for him to give you a receipt showing that the bill has been paid? 5. R. E. Moore gave J. H. Dodds his thirty-day promissory note for $100.00. Dodds transferred the note to Elmer Block by indorsement. Write the note with indorsement. Use current date. 6. Price Engle agrees to sell his Hoover automobile to Richard Holme for $650.00. Prepare a sale contract for their agreement. 7. A note dated January 31, 19—, is payable 30 days after date. When is it due? If payable one month after date, when would it be due? Calculate the interest in each case at six per cent a year.

Chapter XV

BUSINESS ENTERPRISES

241. Work. Theodore Roosevelt said, "The average man must earn his own livelihood. He should be trained to do so, and he should be trained to feel that he occupies a contemptible position if he does not do so." The duty of every good citizen is to do his share of the work of the world. And the best service that he can render his community is to perform his particular job well. This applies to boys and girls as well as to men and women. The job of the boy and the girl is to go to school and to profit by the instruction there given. And going to school is just as real a job as that of the engineers who drive the Twentieth Century Limited from New York City to Chicago.

242. Local industries. The president of one of America's greatest railroads started as a mechanic in a roundhouse; the president of another large system, as a fireman. Each of these men did his particular job well, and at the same time observed the work of those about him. In addition, however, every employee should know something of other types of business enterprises than the one in which he is employed. See how many different types of business establishments which are found in the home community can be named and written on the blackboard in ten minutes. How does each serve the district? Give a product made or sold by each. What kinds of workers are needed?

243. Classes of business enterprises. If the kinds of business which were written on the blackboard were analyzed, they probably would be classified into groups as follows:

- Industrial Enterprises
  - Extractive
    - Agriculture
    - Mining
    - Lumbering
    - Fishing
  - Manufacturing
    - Food Products
    - Textiles
    - Iron and Steel Products
    - Chemicals
    - Paper and Printing
    - Vehicles
    - Wood Products
    - Leather Products
    - Stone, Clay, and Glass Products.
- Commercial Enterprises
  - Merchandising
    - Wholesale
    - Retail
    - Commission
  - Financial
    - Banks
    - Stock Exchanges
    - Brokerage Companies
    - Loan and Trust Companies
    - Insurance Companies
  - Transportation
    - Railroads
    - Steamships
    - Express Companies
    - Pipe Lines
    - Post Offices
    - Telephone Companies
    - Telegraph Companies

Name the two great classes of business enterprises. Give the divisions of each class. Name three illustrations of each division. What is meant by extractive industries? Why are they so called? On a separate sheet of paper, make a list of

other illustrations within each division which are not shown in the outline.

244. Interdependence of business enterprises. A great railroad strike occurs. Thousands of skilled mechanics lay down their tools and go to their homes. Regardless of who is at fault in the dispute, the business of the whole nation suffers. The farmer's apples rot in his orchards; the coal collects in huge piles near the mines; the hewn logs remain in the forest; the manufacturer cannot get his raw materials; the corner grocer cannot replenish his stock in trade; and the housewife cannot purchase her customary supplies for the family. As the strike lengthens, the banks become unable to meet the heavy withdrawals of their depositors and are forced to request the farmer, the manufacturer, the merchant, the railroad company, and other borrowers to pay their loans. This is a very serious condition. No business can stand alone. Each type of enterprise is dependent for its success upon every

Fig. 107. There are many kinds of business enterprises. They offer opportunities for employment and investment to the thrifty young man or young woman.

other type, even though there is keen competition among the members of a particular industrial group. Good citizenship demands that all industries shall coöperate for the good of the community.

245. **Agriculture.** This includes not only general farming but various specialized forms, such as stock raising, dairying, fruit growing, market gardening, and poultry raising. According to the census of 1920 there were in the United States about 6,500,000 farms. They produced crops valued at more than $15,000,000,000. Agriculture is one of our greatest industries, and the farmer with his boys and girls and hired helpers is vitally essential to the welfare of our country. Daniel Webster said: "When tillage begins, other arts follow. The farmers, therefore, are the founders of civilization."

246. **Scientific farming.** There are many farms on which the tenant or owner does all the work. He plows the soil, sows the seed, reaps the crops, attends to the sale of his products, makes necessary repairs to buildings and equipment, and keeps a meager record of his transactions. He is laborer, mechanic, salesman, and bookkeeper. His numbers are rapidly decreasing, and his place is being taken by the *scientific farmer*. This man may be a graduate in agriculture from one of our great universities, or he may be already in service and profiting by the instruction he receives from visiting farm agents in the employ of state and national departments of agriculture, or from tne short intensive courses on particular farm problems which he takes at the university. He surrounds himself with the latest improved farm machinery, lives in a modern, completely equipped home, and applies the same principles of scientific management to his farm as does the manufacturer to his factory. He is a business man engaged in the business of tilling the soil. Scientific agriculture is a profession which offers splendid opportunities for many more trained young men, and in some of its specialized forms, young women, than are at present in the work.

247. **Advantages and disadvantages of farm life.** Mod-

ern scientific agriculture has many of the advantages and few of the disadvantages attending other occupations. No longer is the farmer out of touch with his neighbors. His automobile carries him into town when his day's work is done. The newspaper, telephone, and radio keep him in touch with the world. Electrically driven devices do many of the fatiguing farm tasks. He has not been able entirely to prevent loss through too little or too much rain, frost, severe hail, or wind, changing market conditions, or whims of fashion. But progress is being made. The farmer is the most independent of men. He lives an active outdoor life with a variety of occupations to stimulate his interest and powers.

248. **Mining.** While the farmer works with growing plants and animals to produce his crops, the miner extracts from the earth what nature unaided has produced, such as coal, iron, petroleum, copper, gold, and silver. Every generation is privileged to use as much of this great mineral resource as it needs, but to waste none at all, in order that those who come after may enjoy a share. In a recent year there were taken from the mines and quarries of the United States products valued in excess of $6,000,000,000. So important have certain mineral products been in providing tools and other implements for man, that they have given names to great epochs of history: the stone age; the copper age; the bronze age; the iron age; and finally, the age of coal, oil, and electricity in which we live.

From its very nature mining is localized in districts underlaid by workable mineral deposits, and requires a large amount of capital. The plan of the lone prospector with his pack and burro who set forth in search of gold, staked out his claim, and washed the yellow specks from the sands of a brook, is no longer a common method of mining. Today the skilled geologist discovers the deposits, and the huge corporation extracts and markets the minerals. There is little opportunity for the man or woman of small means to invest in mining enterprises if valuable deposits are known to exist. If, however, there is grave doubt as to the presence of any minerals, the small

investor will be given ample opportunity to invest his savings in a "hole in the ground." Thrift demands that mining stock shall be left for the experienced investor. A young man, however, may fit himself for the profession of mining engineer and be of service in this useful industry.

249. Lumbering. Until recently, in the United States, lumbering has meant the cutting down of the trees and the sawing of the logs into marketable sizes. As a result, large areas of our country have been denuded of their forest cover. The decreasing supply of timber and the resulting increase in price have shown our people the necessity for reforestation. This has long been practiced in the progressive countries of Europe, where timber is planted, cultivated, and harvested as carefully as wheat, rye, potatoes, or any other crop. To retain a tree cover on important watersheds, to increase the timber supply, and for other purposes, our state and national governments have set aside many thousands of acres of woodlands as forest reserves. Here the trees are allowed to grow, and to be cut only under the direction of skilled foresters. Private corporations are realizing that it is good business to plant a tree for each one that is hewn down. And American farmers are beginning to grow trees on the hillsides that are unfit for the plow. This is the comparatively new industry of *tree-crop agriculture*. Our colleges and universities are helping in this conservation movement by fitting young men for the profession of scientific forester, a new job in which there are many opportunities.

250. Fishing. Many of our people live inland and are not particularly interested in the salmon fisheries of the Pacific Coast streams, the whitefish of the Great Lakes, the oysters of Chesapeake Bay, or the cod on the Newfoundland Banks. They are content to know that these products can be bought in cans or packages at the nearest grocery store. But they are interested in the ponds, lakes, and streams near their homes. Many of these people do not know that a relatively useless pond an acre in extent, when stocked with fish, may be made to produce as much food as an acre of ground. Fish

hatching and the restocking of inland waters are being carried on by our national Bureau of Fisheries and by many state bureaus of fisheries. They offer employment opportunities to young men from our agricultural colleges who are trained in scientific fish culture.

251. Manufacturing. The value of the manufactured products in the United States, according to the last census, was more than $62,000,000,000. About one person in every ten of our population was employed in this business, and more than a quarter of a million buildings were devoted to its use. Huge as the industry has become, it is more than ever dependent upon the farmer, the miner, the lumberman, and the fisherman for its raw materials, and upon the banks, transportation agencies, and merchants for the marketing of its products. It is engaged in the service of making all sorts of needful things, from a pin to a great ocean steamship. So many workers and so much capital are engaged in the industry that the welfare of our country is, in a very large measure, dependent on the success of our manufacturing enterprises.

There are many opportunities for employment in this business of making useful things. Laborers, skilled mechanics, a host of office workers, and trained executives are needed each year. A man or a woman with a small capital may start a manufacturing business in his house. Such home industries are quite common in Europe and many parts of Asia. In the United States, however, most of the manufacturing is done by large corporations. They not only offer employment to many skilled workers, but also issue stock which, in most cases, may be purchased as a safe investment by the person of small means.

252. Transportation. Modern civilization would be impossible without the railroad, the steamship, the canal, the automobile, the electric line, and of ever-increasing importance, the airplane. Nearly every community has some industry which it does well. Iowa raises corn; Texas, beef; California, fruits; Brazil, coffee; India, tea; the Philippine Islands, hemp. Pennsylvania mines coal, and New York City manu-

factures clothing. The transportation agencies must carry these products, and many more as well, from the land of plenty to where each is needed. In the stock of any small retail grocery store there are products from nearly every state in the Union and from many foreign lands. In fact, if modern means of transportation were cut off from any one of our large cities, the people would be on the verge of starvation in ten days.

Common carriers, such as the railroad and steamship lines, must be operated by large corporations. A young person may fit himself for a mechanical, clerical, or executive position with one of these corporations. Or he may invest a portion of his earnings in the bonds or stocks of transportation companies, and thereby help the business of the country as well as receive a fair interest.

253. Financial institutions. What types of business are included in this group? (Sec. 243.) The services rendered by some of these financial institutions were discussed in Chapters III and IV. The pupil who is considering the kind of job he would like to have on graduation from school might prepare himself for one of the steady, pleasant, good-pay positions offered by banks, insurance companies, and other financial institutions.

254. Merchandising. Name each kind of business in this group. (Sec. 243.) A person who engages in any of these activities is frequently referred to as a *middleman.* One hears a great deal about the elimination of the middleman, and the value of purchasing direct from the factories, the farms, and the mines. This, in many cases, would result in no saving. The wholesale dealer, the commission merchant, and the retail storekeeper perform an indispensable service in the marketing of goods. The farmer, the mine operator, or the manufacturer might sell direct to the consumer, but to do so they must perform the services offered by the merchant. The market place with its busy merchants is one of the oldest institutions of civilized man.

255. Commission merchants. These business men are

also known as agents or brokers. They do not buy merchandise outright, but find purchasers for the products of the farm, forest, mine, or factory. A farmer in the Aroostook Valley, Maine, realizing the difficulties of personally marketing his potatoes, ships a carload to his agent or broker in Boston. The agent sells the crop among the grocers and provisioners for the best possible price and returns to the farmer the proceeds; that is, the sale price less commission and expenses. Any person with selling experience may act as an agent, broker, or commission merchant.

256. Wholesale dealers. Department stores and chain stores, because they sell large quantities of merchandise, can buy direct from the manufacturer. The small retail establishment, however, must depend for its stock in trade largely on the wholesale dealer. This merchant gathers together from many manufacturing sources a large stock to meet the needs of many small retail stores.

257. Retail merchants. Nearly every person is familiar with retail storekeeping, and many know personally their neighborhood shopkeepers. These merchants gather a stock of needful things, display them in a store conveniently located for their patrons, and make a fair profit on each sale. They perform a necessary service, as evidenced by the fact that only two or three large American manufacturing establishments attempt to sell their products direct to the consumer. For the person who likes to buy and sell and is not easily discouraged by keen competition, modern retail selling offers many opportunities either as a proprietor of a small shop, or as a salesman, buyer, or manager in a larger organization.

258. Public utilities. Gas, electric light, power, telephone, telegraph, street railway companies, bus lines, ferries, and railroads are known as public utilities. They are frequently given the exclusive right to operate in a particular city, parish, or county. This is a monopoly. In return for this exclusive franchise the public service company must, as a rule, submit to government supervision and government regulation of

rates. Public utility corporations offer many opportunities for permanent employment at fair wages, and their bonds are relatively safe as an investment.

259. Preparation for business. This brief survey of business enterprises merely suggests a few of the many avenues of employment which are open to the alert young man or young woman. But good jobs require trained workers. And training comes through education. A young person should, therefore, get as much education as he can, as early as he can. The following bit of advice comes from the president of America's greatest railway system, who, when a boy, was not able to get much schooling. He said, "The youth who 'passes up' school training deliberately sidetracks himself on a one-track line and stands still while other and better equipped 'through limiteds' flash by on the high road to success."

QUESTIONS

1. What is the chief industry in the community in which you live? 2. Can you tell why this industry developed in your locality? 3. Give an illustration of each of the types of business enterprises which are listed in Section 243. 4. Tell how a coal strike in Illinois may injure the business of an automobile manufacturer in Detroit. 5. Name the specialized forms of agriculture, and give a product of each. In which form would you prefer to engage? Why? 6. What do you understand by "scientific farming"? 7. "Every generation may use as much of the mineral resources of the earth as it needs and can extract." Justify this statement. 8. How do our large deposits of coal and iron aid manufacturing? 9. "Manufacturing again becomes a home industry." Explain. 10. Which is the most important common carrier in operation today? Give a reason for your conclusions. 11. Distinguish among the broker, the wholesaler, and the retailer. 12. Why are merchants called middlemen?

TOPICS FOR DISCUSSION AND INVESTIGATION

1. "I have enough money for my needs; why should I work?" Criticize this attitude. 2. It has been reported that the number of farmers in the United States is steadily decreasing while the total crop production is steadily increasing. Account for this condition. 3. Where is your state university? Does it offer courses in agriculture, forestry, lumbering, and mining? What are the requirements for admission to these schools? 4. What is the total stand of timber in

the United States? How rapidly is it being cut? How long will it last at the present rate of cutting if reforestation is not practiced? 5. Locate our national forests. 6. What is our yearly loss from forest fires? 7. What is the value of the fish caught yearly in our inland and coastal waters? How is the Bureau of Fisheries aiding this resource? 8. Gather facts, pictures, and statistics concerning a public utility in your community. 9. What is meant by a "blind alley" job? 10. Should a boy follow his father's vocation? Give reasons for your answer.

PROBLEMS

1. Pay a visit to a large manufacturing establishment in your community. Have one member of the class gather information and pictures concerning the history of the company; another, its location; a third, its buildings and equipment; a fourth, the raw materials used; a fifth, the process of manufacture; a sixth, the finished goods and their uses; a seventh, the opportunities for employment; an eighth, the service rendered to the community. Collect and arrange all the information secured into a descriptive folder such as the establishment might issue for advertising purposes. 2. Give the information requested by the following outline:

Name of Industry	Nature of the Industry	Advantages	Disadvantages	Training Required	Opportunities for Employment	Service Rendered
Agriculture						
Mining						
Lumbering						
Fishing						
Manufacturing						
Merchandising						
Banking						
Transportation						

Chapter XVI

BUSINESS ORGANIZATION

260. Kinds. There are three kinds of organization that are common among all industries: the single proprietorship, the partnership, and the corporation.

261. The single proprietorship. Herman Sendler keeps a small grocery and delicatessen store in the basement of his house. He owns the building, stock, and fixtures. He remains open until late in the evening for the convenience of his patrons, waits on the trade himself, opens accounts with customers who desire to pay by the week or month, and has his boy deliver the orders. He is diligent in his business, keeps in stock the kinds and quality of merchandise his neighborhood demands, and is courteous at all times. As a result his sales are increasing, and his profits, after all expenses are deducted, are sufficient to provide a good living for himself and his family. This is an example of a single proprietorship.

By far the greater number of business enterprises, farms, retail stores, specialty shops, small factories, and contractors and builders are conducted as single proprietorships. The proprietor assumes all the responsibilities and takes all the risks. He gets all the profits and bears all the losses. He is his own master, in most instances is proud of the business he has built or inherited, and is so vitally interested in its success that he is willing personally to conduct its affairs. Many of the great corporations doing business in America today had their beginnings in small single proprietorships. But as the volume of transactions increased, the single owner was no longer able to attend to all the details of management. He may also have had difficulty in getting the necessary capital for new buildings or equipment or to increase production. Consequently,

the greater number of single proprietorships which grew to the status of big business enterprises have been reorganized as partnerships or as corporations.

262. The partnership. A partnership is formed whenever two or more persons agree to combine their property, labor, or skill in the transaction of business for their mutual benefit. Their agreement may be oral, written, or implied. The terms and conditions of a partnership, however, should be set down in writing over the signatures of the parties. The law governing partnership relations states that the parties must be legally competent to enter into a contract (Sec. 218); that each partner is an agent (Sec. 228) for the others in the transaction of the business; that each shares equally, or in an agreed proportion, in the profits; and that each is personally liable for all the debts contracted by the partnership. This type of business organization may be terminated by mutual agreement, by the death of a partner, by the failure of the business, or by the expiration of the term for which the agreement was made.

263. The corporation. Many single proprietorships and partnerships have been reorganized as corporations. This type of business may usually be recognized by the word *Company* in the official title, as Western Union Telegraph Company, or American Railway Express Company. Each of these organizations sells, or has sold, stock to provide money for the business. If the corporation is successful, the stockholders receive dividends; if it is unsuccessful, the most they can lose, under the laws of some states, is the amount they originally paid for their stock. As a rule, a corporation can attract much more capital for its needs than the individual proprietor or the partnership. It is not seriously inconvenienced by the death of an executive or of an influential stockholder.

264. Internal organization, small business. Herman Sendler is not much concerned about the several departments of his grocery and delicatessen store. He is owner, general manager, buyer, salesman, shipping clerk, and bookkeeper. So it is with a partnership doing a small business. The duties

of the respective partners are, in many instances, not clearly defined. What today may be performed by one, tomorrow may be the job of another. A small business does not require the same careful division of labor as does the large corporation.

265. Internal organization, big business. The chart of the organization of a department store (Fig. 108) is typical of the

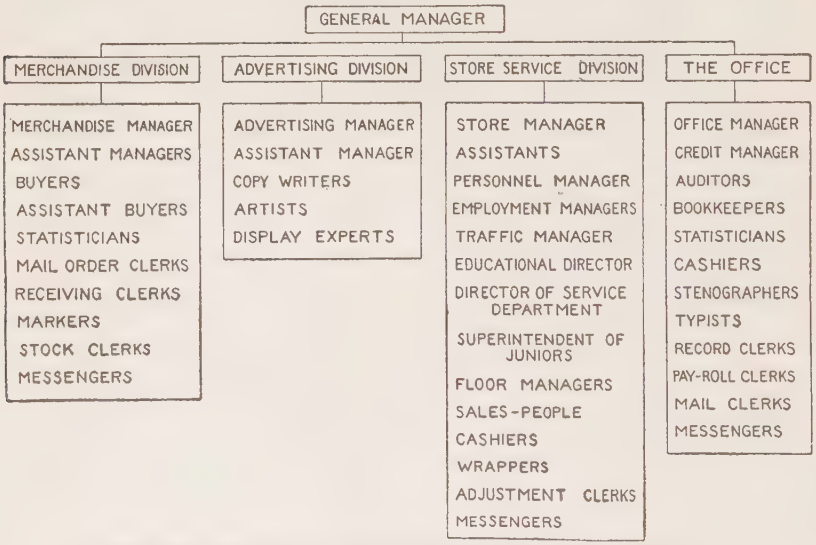


Fig. 108. Chart of the organization of a department store.

way large business enterprises are organized. Who is in charge of this store? May he be the proprietor? Is he likely to be the proprietor? Name the divisions of the business. Who supervises the work of each division? What kinds of employees does he need? Will a record clerk, whose services are satisfactory, be advanced to the position of employment manager, copy writer, auditor, or buyer? Give a reason for your answer.

266. The general manager. The general manager is the responsible head of the business. He appoints his division chiefs. He holds conferences with his managers to settle questions of general interest to the store and its employees. He

consults and advises with each of his assistants concerning the conduct of each particular department. He is the commander-in-chief of his army of workers.

267. The merchandise division. The responsibility for keeping in stock, at a fair price, what the customers want devolves upon the merchandise division. This is a very important service. The manager of this division must employ a corps of experienced buyers, each of whom knows thoroughly the market for one class of merchandise. A buyer must know not only what to purchase, but where, when, and in how great quantity. Buyers from American department stores go to many different parts of the world. They gather articles of clothing, household furnishings, jewelry, and other goods to supply the demands of their patrons. In some stores, the merchandise manager has charge also of the selling. A buyer, under this system, is the chief of the sales department which distributes his goods.

268. Advertising division. It is not sufficient merely to have a stock of dependable merchandise housed in a convenient store. Prospective purchasers must be told about it in such a convincing manner as to awaken in them a desire to come to buy. This is the job of the advertising manager, his assistants, his copy writers, his artists, and his display experts. By means of well-written advertisements, artistically arranged, illustrated, and published in newspapers and magazines, by letters, circulars, signs, window displays, and special exhibits, these skilled workers attract many people to the store in a mood to purchase. Sales follow as a matter of course, provided that the *goods are as advertised.* This is so vital that one of America's foremost merchants constantly counseled his advertising experts to "let the goods talk."

269. Store service division. Those store activities which come into immediate contact with the customer and which make shopping attractive and comfortable are under the supervision of the store manager. This division employs many workers, and requires the services of skilled chiefs over each activity. The superintendent of buildings looks after the

cleaning of the store, its heat, light, and ventilation, and attends to repairs and alterations. The personnel manager interviews all applicants for positions, employs those with satisfactory qualifications, assigns them to their duties, and provides for their training in service. He may also supervise the employees' rest and recreation rooms, their hospital, and restaurant. The traffic manager is in charge of the store's delivery system. His assistants prepare goods for shipment by express, freight, or other methods of transportation, determine the route, arrange with the carrier for rates and service, and file claims for damages to shipments. Special service features, such as the adjustment bureau, lost and found department, post office, bank, rest rooms for shoppers, bureau of information, theater and railroad ticket offices, are also under the direction of the store manager. Do these service features help business? How? This description is merely suggestive of the store manager's many duties.

270. The office. The success of any big business largely depends on the efficiency of the office. Here the records are kept. The office manager employs many assistants who are skilled in particular phases of clerical work. His record keepers sort and check the sales slips and charge each to the proper customer's account. They record payments, merchandise returns, and other credits. They send out bills and statements at regular intervals. They keep the ledgers balanced so as to show the amount that each patron owes. The credit manager and his assistants approve or reject charge orders, gather information about the credit standing of each customer, and make collections.

The paymaster makes up the weekly pay roll, secures from the bank the amount of money required in proper denominations, and fills the pay envelopes. The cashiers receive all moneys, and send to the bookkeepers credit memoranda of payments on account. The mail clerks open and sort the incoming mail and deliver it to the departments concerned. They collect the outgoing mail, determine the postage, and deliver it to the post office, mail box, or chute.

The file clerks store the correspondence and other records of the business in such a manner that each may be found when needed. The auditors and statisticians prepare financial and other reports so that the general manager, president, or board of directors may know the progress of the business. The stenographers and typists assist all sections in the preparation of correspondence and other records. An efficient office is able, on short notice, to tell the condition of a business, especially whether it is making or losing money.

271. Division of labor. All large business enterprises are organized into divisions, each of which performs a particular service and works in harmony with the other divisions for the success of the organization. A great railway system has three main departments: the shops that build and repair the rolling stock; the operating department that runs the trains; and the general offices. These departments are divided into bureaus or sections each of which is presided over by a chief skilled in his particular duties. No person could perform all these duties. He must choose one, and devote himself to it. Is this an advantage or disadvantage to him? to the community in which he works?

272. Promotion charts. An employment manager in a large department store once said: "With rare exceptions we recruit our force of men and women from boys and girls of sixteen or seventeen years of age, filling the higher positions by promotions. All applicants are required to take an examination in writing, spelling, and the fundamental principles of arithmetic. They are interviewed personally and each one is given a rating based upon character, intelligence, adaptability, and education. The records of those rated 75 per cent or over are filed, and selections are made from them in the order of rating." This is a very wise policy. Employees, within the business, of ability and proved loyalty, are familiar with its activities and, in most cases, make successful executives. Furthermore, the knowledge that advancement is possible is an incentive to each worker to put forth his best effort. Keen executives encourage this natural desire to get ahead by chart-

ing the promotional opportunities of a business and posting copies in conspicuous places about the office, shop, or factory. Figure 109 is such a promotion chart for a retail store.

Amos Johnson, who must leave high school at the end of his first year, applies to the store for a position. He is accepted. To what kind of duties will he probably be assigned? Amos is ambitious and is a good worker. How might he become a buyer for a department of the business? the head cashier? the office

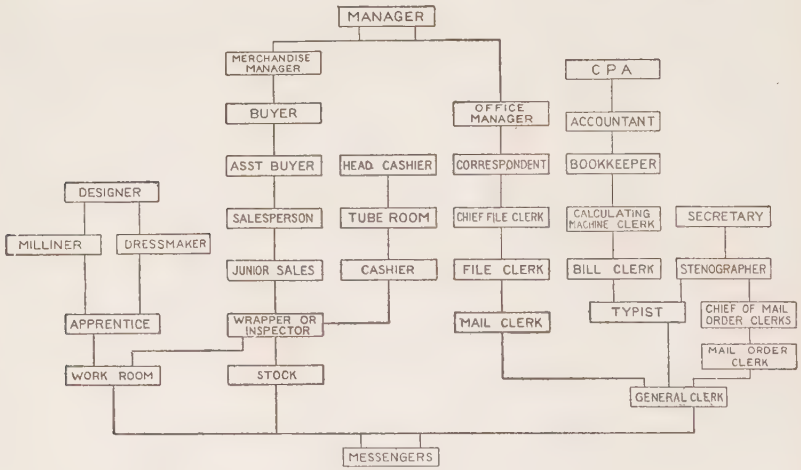


Fig. 109. A promotion chart of a large retail store.

manager? the accountant? the secretary to an executive? Will he need more education for these higher jobs? How may this training be secured? His sister desires to become a designer of gowns and wraps for evening wear. Designers are skilled artisans and receive good pay. How may she secure this position from her present job as messenger? The wise employee not only performs his duties to the best of his ability but is constantly preparing himself for the "job ahead." The organization chart aids him in determining the line of work for which he is best fitted.

273. Opportunities in manufacturing. Figure 110 is a promotion chart in use in the office of a large manufacturing

plant. As in merchandising, the untrained employee begins as messenger or office boy, and works his way to positions of greater responsibility and higher pay. The wise student, however, will remain in school as long as he can, and, if possible, go to college or to a technical school. Then, when he seeks employment, he will probably be offered a position fitted to his particular training. College trained men and women are given positions near the top of the chart, such as private

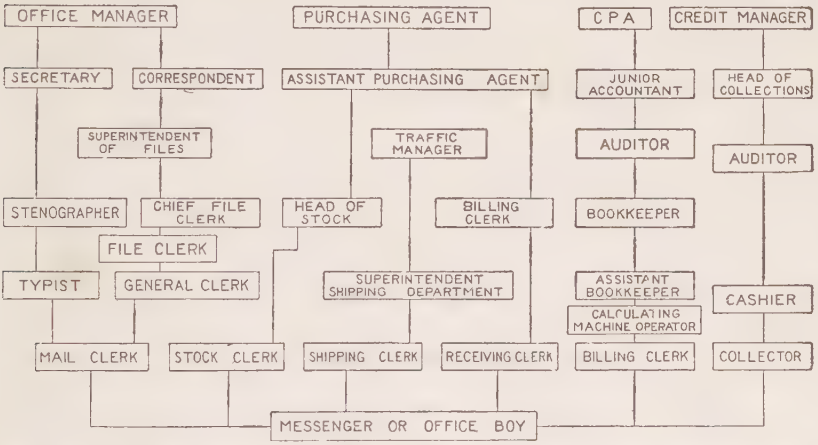


Fig. 110. A promotion chart in use in a large manufacturing establishment.

secretary, correspondent, junior accountant, auditor, and as assistants to the advertising manager.

274. Opportunities in banking. Positions in banks that are filled by promotion are not so numerous as in a big store or factory. The boy or the girl who desires to become a bank cashier must climb the steps shown in Fig. 111. Name the various jobs that are shown.

275. Salary. An employee should not look upon the contents of the pay envelope as his entire salary. For the ambitious young man or young woman, it is probably the lesser part. Every job worth doing offers a chance to learn and acquire experience. This opportunity is the greater part. And it may be invaluable to the worker who will study to

know everything about his job and something about all the other jobs in the business organization. Frank A. Vanderlip says, "Know more than you need to know for doing your own simple daily task, and with this broader doing and wider learning you will be laying the substantial foundation that is required for any career of eminence."

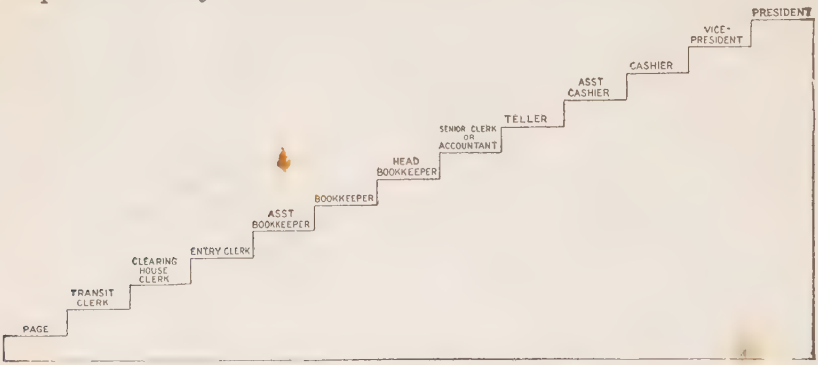


Fig. 111. A chart which shows the various grades of work in a large commercial bank.

QUESTIONS

1. Name the distinguishing characteristics of the single proprietorship, the partnership, and the corporation. 2. "A" owns a farm. He leases it to "B" for a certain rental a year. What type of business organization is represented in the business of farming this piece of land? Give reasons for your answer. 3. Of what value to the employee is the study of an organization chart? 4. Discuss the advantages and disadvantages of going into business for yourself. 5. What advantages are there in entering the employment of others?

TOPICS FOR DISCUSSION AND INVESTIGATION

1. In writing about modern manufacturing methods, one of the English poets exclaimed, "Ten men to a pin and not a man too many!" What did she mean? 2. "I never miss a ball game when the 'Tigers' are at home," said the proprietor of a small retail store. "My clerk attends to the trade." Was the proprietor wise? 3. "The good executive never does anything that he can get someone else to do for him." "If you would have your business done, go; if not, send." Here are two quotations from famous men. They give conflicting advice. Which is the better counsel? 4. "Keep thy shop and thy shop will keep thee," wrote Benjamin Franklin. What did he mean?

PROBLEMS

1. Fill in the following chart of business enterprises.

Kinds	Description	Advantages Over Other Types	Disadvantages	Illustrations Found Near My Home
Single Proprietorship				
Partnership				
Corporation				

2. Rule a sheet of paper into five columns. Entitle the paper "Local Industry Chart." Head, the columns: Name of Firm, Kind of Business, Type of Organization, Size, Estimated Capital. List in the first column, in alphabetic order, the important business firms of your town. In the second column indicate the kind of business in which each firm is engaged, as, carpet mill, retail grocery, department store. In the third column indicate the type of organization of each business, whether corporation, partnership, or single proprietorship. In the fourth column, try to show the size of each business. Where can you find the estimated capital of each? Place this information in the fifth column. To which type of organization do the businesses which have the largest capital belong? to which type those of smallest capital? 3. Make a chart of the organization of your school.

5 busines

WHY HE WAS PROMOTED

He was always on time.
He did not watch the clock.
He put his heart in his work.
He was not always grumbling.
He learned from his blunders.
He acted on his own judgment.
He was ready for the next step.
He did not ask too many questions.
He thought it worth while to learn how.
He chose his friends among his superiors.
He did not ruin his ability by half doing things.
He imitated the habits of men who could accomplish more than he could.
He learned that the best part of his salary was not in his envelope.

—*Adapted from The Right Way Magazine*

PART II. VOCATIONAL

Chapter XVII

PERSONAL QUALITIES IN BUSINESS

276. The business career. There was a time in the history of American communities when the clergyman, the physician, and the lawyer were looked upon as superior citizens. They were very learned, for "each had read several books quite through." They were likely to be consulted on many questions of local interest other than their respective vocations. The three so-called "learned professions" are still very influential in the lives of our people. But by their side stands a fourth—the *profession of the business man*, and this term, of course, includes business women. The business man is not learned in theology, in medicine, or in law, but he is a keen student of the science of business, which requires as great an amount of skill and offers as wide an opportunity for service as any other vocation. John Wanamaker, who stood in the very first rank of successful American merchants, said: "Every man who studies along the fine and broad lines of commercial enterprise today must recognize the fact that a business career is a profession as noble in its way as that of the lawyer or the engineer. Men and women must be trained for it."

277. Personal qualities. Modern business is built on fair dealing. The old maxim, "let the buyer beware" (*caveat emptor*), has given place to the modern business maxim, "We are here to serve you." The man or the woman who wishes to achieve lasting success in business must develop personal qualities of a high order. These qualities may be summed up under the terms: *personality*, *character*, and *aptitudes*.

278. Personality. The dictionary defines personality as "that which makes one human being different from another."

It is the sum of one's qualities of mind and body, such as cleanliness, posture, dress, voice, courtesy, manners, cheerfulness, enthusiasm, and health. The proper development of these qualities is possible for every young man and young woman.

279. **Cleanliness.** Clean skin, clean teeth, clean nails, clean clothing, and clean and well-brushed hair are characteristics that one is not only expected to possess, but which help him to do his work better. In fact, there is no habit which is attended by quite so many beneficial effects from the standpoint of cleanliness, bodily health, and personal satisfaction as the daily morning bath, preferably in cold or cool water.

280. **Posture.** Posture means the position of the body. Many important traits of character are revealed in the way a person carries himself. In school, the teacher requires each pupil to sit erect with both feet on the floor, to stand clear of the desk, head up, shoulders back, and to recite clearly, distinctly, and intelligently, or to admit that he is unprepared. The pupil obeys, but sometimes with the mental reservation that this is another of the absurd rules of the schoolroom from which he will soon escape into the freedom of the business world. Foolish pupil! Good posture is not only one of the first rules of health, but the person who holds his head erect and looks his questioner squarely in the eyes gives the impression of self-control, confidence, and the ability to do. Business men reason that a slouchy body probably houses a slouchy mind, and has a slouchy manner of doing its work. They want no such individuals about their premises.

281. **Dress.** There is a saying that a man is known by the clothes he wears. This is equally true of women. In fact, Lady Astor, the American-born girl who became the first woman member of the British Parliament, attributes much of her success to the neat, inconspicuous tailor-made suits that she wore when attending the sessions. Lady Astor was engaged in the serious business of helping to make the laws

for her adopted country, and she dressed appropriately. All business people should select clothing of good materials, quiet colors, and conservative style for wear during working hours. Young men and young women are wise who request the counsel of older, more experienced people in the selection of clothing for the school, store, or office.

282. Shoes. A poorly managed, unsuccessful business is often referred to as being "down at the heels." How did such a saying originate? Is it literally true of some individuals? Which is the greater offense against good taste: shoes run down at the heels, or shoes unpolished? Is either excusable? No item of clothing is more important from the standpoint of health, personal appearance, and the performance of one's duties than good shoes. And good shoes are shoes which protect the foot from harsh contacts and from exposure to weather conditions, are comfortable, and allow the foot to rest in a natural position.

283. The voice. "He has a good speaking voice." "I like to hear her talk." "Their voices were very annoying." Expressions of this kind show how the feelings of listeners are affected by the quality of one's voice. A harsh, nasal, uncontrolled tone is trying on the nerves; low mumbling is irritating. A clear, well-modulated voice may be acquired by every person who will observe and adopt the attractive modes of vocal expression of those with whom he speaks. A pleasing voice is a distinct personal and business asset.

284. Courtesy. "Civility costs little but counts much, but courtesy counts more," wrote a great merchant for display throughout his store during the Christmas shopping season. He hoped that thereby the employees might be more polite to each other and to the customers, and the customers to other patrons and to the working force. If this were accomplished, sales would be made more pleasantly, more rapidly, in greater numbers, and with less probability of merchandise being returned. Courtesy with him was a business proposition.

The general manager of a chain of over six hundred stores

was so certain of the business-getting value of politeness that he laid down a rule that not only must each salesman say "Thank you" to every customer, but he must say it as if he meant it. And to hammer the idea in, the manager sent the following telegram to each clerk in his employ: "Did you say 'thank you' to every customer you waited on today?"

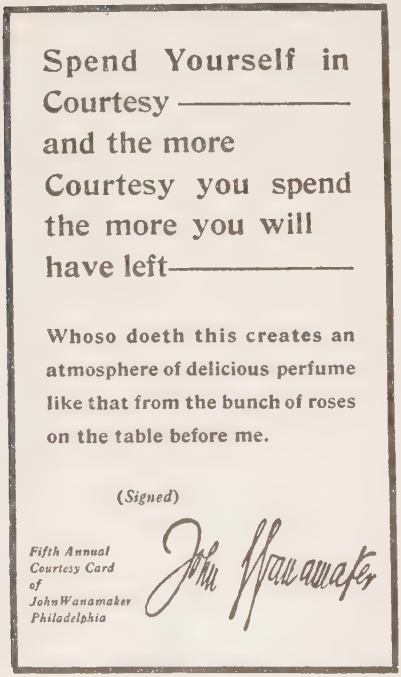

Spend Yourself in Courtesy
and the more Courtesy you spend the more you will have left
Whoso doeth this creates an atmosphere of delicious perfume like that from the bunch of roses on the table before me.
(Signed)
Fifth Annual Courtesy Card of John Wanamaker Philadelphia
John Wanamaker

Fig. 112. A courteous manner is a business asset.

285. Manners. Custom, through usage, has formulated certain definite rules for personal conduct. These rules are called *manners*. There are good manners and bad manners. Consideration for the rights and feelings of others, cheerfulness in the performance of one's duties, being pleasant and agreeable to those about you, are considered good manners. Loud talking and laughing, pushing and jostling, chewing gum, the constant use of slang, fixing the hair, manicuring the nails, and powdering the nose in public are considered bad manners. Good manners are attained by constantly striving to be courteous, and by observing the conduct of cultured people.

286. Cheerfulness. Some persons are naturally of a happy disposition, others are more serious minded. All might profit by Jay Cooke's secret of success, "Always look on the sunny side." The cheerful person radiates good will on all with whom he comes into contact. The jovial conductor can keep a full carload of people in good humor; while another, grouchy and irritable, will have them disgruntled and out of sorts. One who strives to control his temper and to look on

the bright side of happenings will acquire the habit of cheerfulness. A large Chicago store posted placards which read, "Civility and smiles do not cost anything. We have a large supply of both."

287. **Enthusiasm.** Ralph Waldo Emerson said, "Nothing great was ever achieved without enthusiasm." One may have knowledge, sound judgment, and good reasoning powers, but unless he approaches his daily task with zeal and takes a keen interest in its successful accomplishment, he will not achieve the highest success. It is fascinating to watch the contesting teams and the rival cheering sections at a great college or school football game. Each player is earnestly striving for the success of his school, ably abetted by songs and cheers from his schoolmates in the stands. Could this enthusiasm be kept alive in the mind of each student and be applied to his business activities after leaving school, it would be the greatest single factor in his success.

288. **Health.** Many persons think that health means freedom from disease. But it more nearly approaches the old Latin maxim of "a sound mind in a sound body." Health denotes an abundance of energy, vitality, and vigor applied to the perfect working of the mechanism of the body under the control of the mind. One must, therefore, keep his body in as perfect physical condition as possible. The following simple rules of health have proved helpful:

Exercise for a short period in the open air every day; work and sleep in well-ventilated rooms; avoid drafts; choose simple, wholesome food and masticate it thoroughly; eat sparingly of meat and rich pastries; wear clothing suitable to the weather and the season; remove wet or damp clothing as soon as possible; get at least eight hours of sleep out of every twenty-four, preferably at night; suppress anger, hate, and fear; do not worry; refrain from the use of tobacco or stimulants; acquire a hobby.

289. **Personality an attainment.** Personality is not a gift but an attainment. Everyone may acquire a pleasing

personality by daily cultivating those traits (Sec. 278) which develop it.

290. Character. First impressions of an applicant for a position are gained largely through his personality. But after a person secures a worth-while position, he desires to hold it and to advance to a place of greater responsibility and more pay. His character, that is, *what he is*, not *what he appears to be*, will determine whether the engagement is to be permanent. A rather famous quotation reads: "Sow an act and reap a habit; sow a habit and reap a character; sow a character and reap a destiny." A person must be particularly careful of his acts and of his thoughts, for they grow into habits which largely determine his character, which becomes the measure of his fortunes in life. "What we think, that we are; as we act, that we become."

Fig. 113. Good health is a distinct business asset. Recreation out of doors promotes good health.

291. Traits of character. Men and women who have achieved marked success in the world usually have exhibited the following traits of character: self-respect, self-control,

self-reliance, honesty, punctuality, industry, loyalty, perseverance, initiative, ambition, system, and coöperation.

292. Self-respect. One should not think *better* of himself than he ought. On the other hand, one should not think *less* of himself than he ought. The world will smile and forgive the former estimate, but will accept the latter at its stated value. Every person has certain admirable qualities, certain things that he can do well. For these he is entitled to the esteem of his fellow men. But he will not achieve this respect unless he has a proper sense of his own value and thoroughly believes in himself.

293. Self-control. With the aid of a bit and a bridle a high-spirited horse may be brought under control and induced to perform many useful tasks. So it is with one's energies, inclinations, and emotions. They must be bridled and brought under the control of the will if the greatest success is to be obtained. "I have a very quick temper," remarked a young woman, as if that were a desirable trait. It is not. A show of righteous indignation is sometimes justifiable, but recurring fits of temper are one evidence of a lack of self-control. Biting the finger nails, tapping on the desk, sighing, and humming are other evidences of inability to restrain one's acts. Name ten other examples of lack of self-control. Does each create a favorable impression on others, or does it annoy?

294. Self-reliance. "What others have done I can do," is a very high ideal for a young man or a young woman, and it is worth keeping in mind. No one knows what he can do until he begins to do it. Frequently he surprises even himself at the extent of his own powers and abilities. A young girl of seeming quiet demeanor and courteous manner applied for the position of secretary to an executive noted for his harsh, aggressive manner. After a short conference, the employment manager told her she could not fill the position. "How do you know I can't?" she flashed back. He did not know, but he knew then; and his previous snap judgment was reversed. She was hired because she was not afraid

to accept responsibilities and depend on herself. Edgar A. Guest tells about a man who tackled a thing that couldn't be done, and he did it. Why? Because he was self-reliant.

295. **Honesty.** The Great Teacher many years ago said, "Whatsoever ye would that men should do to you, do ye even so to them." Modern business achieves lasting success largely by its ability to approach the principles of honesty and square dealing wrapped up in this Golden Rule. Honesty is much more than merely refraining from taking money to which one has no claim. It is bringing to one's job a body refreshed by a good night's sleep and strengthened by wholesome food. It is energetically applying to the task in hand all the skill at the worker's command for every minute of the business day. It implies thrift and care in the use of equipment. It wastes neither time, energy, skill, nor materials. It is the best policy to adopt if one wants to get ahead in the world.

296. **Punctuality.** "Lost time can never be found again," said Benjamin Franklin. The boy or the girl in school may think that the teacher or the principal is unnecessarily harsh because he demands promptness, and devises suitable punishments for the tardy. But the treatment of the school is mild in comparison to what the habitually late person will get in the business world. There loss of salary and eventually discharge await the persistent loiterer, not because the employer is a harsh, unreasonable tyrant, but because his business cannot be run efficiently unless all are in their places and ready for work when the "whistle blows," and because many employees cannot get to work on time except through the threat of a loss of salary or of the job itself. The necessity for being on time cannot be overemphasized. "He that riseth late must trot all day, and shall scarce overtake his business at night."

297. **Industry.** "Seest thou a man diligent in his business? He shall stand before kings," said Solomon. "Keep thy shop, and thy shop will keep thee," advised Benjamin Franklin. "To my mind the best investment a young man

starting out in business can possibly make, is to give all his time, all his energies to work—just plain, hard work," is the opinion of Charles M. Schwab. "All the genius I know anything about is hard work," said Alexander Hamilton. These quotations are not merely clever sayings; they are the result of the wide experiences of mature men in different fields of human activity. The successful man must be industrious; he must be up and doing. Theodore Roosevelt summed up the qualities of industry in an address to the students of a large high school. He said, "Don't flinch, don't foul, but hit the line hard."

298. Loyalty. This is faithfulness to one's country, friends, promises, and duties. It is the quality which causes the student to support his school athletic teams even when they are losing. It is the trait which causes the employee to think, work, and devote all his energies to the interests of his employer. So essential is loyalty in the equipment of every worker that Roger W. Babson, who studies business in order to discover the underlying causes for good and bad times, says, "Loyalty bears the same relation to a successful organization that mortar bears to a brick building."

299. Perseverance. This is the ability to stick to a job until it is finished; to a task until it is mastered. Paderewski, the great pianist, said: "I played with an orchestra in Vienna. My work lasted four hours a day. After I was through with my regular work I practiced for twelve hours every day. Often my arms were stiff and numb, but I did this for fourteen years. Other musicians laughed at me and called me a fool. Now people applaud me and call me a genius." Keeping everlastingly at it never failed to bring success.

300. Initiative. Initiative is the starting-power energy required to begin or dare new undertakings. During the great war the German soldier proved himself an efficient fighting man just so long as his particular unit remained intact. But so accustomed was he to giving instant obedience to the commands of his superior officer that, when thrown on his own resources,

he was helpless. On the other hand, the American troops, brought up under no such iron discipline, were quite capable of sizing up new situations and acting to the best advantage without the thought of awaiting an officer's command. This trait is as valuable in business as in war. Merely to do as one is told is not sufficient. The efficient workman can "carry on" when the boss is away, can solve new problems as they arise, and can suggest new methods. He has initiative.

301. Ambition. This is an eager desire to get ahead in the world, to better one's position in life, to rise to positions of greater responsibility and trust, and to make more money. It is perfectly natural to be ambitious. The employee who is perfectly satisfied in his present position, and has no urge to prepare himself to occupy the job higher up, is not the best possible type of worker.

302. System. Plan your work and work your plan. This will result in increased production with less effort and expense on the part of both an individual and a business. The largest automobile company in the world turns out a finished car every 18 seconds because its plant, workers, and method of manufacture are systematically organized. So each individual must plan his duties in order to save time and needless effort.

303. Coöperation.

"As the creeper that girdles the tree-trunk the Law
runneth forward and back—
For the strength of the Pack is the Wolf and the
strength of the Wolf is the Pack,"

wrote Rudyard Kipling, and expressed thereby the necessity of working together in harmony with one's fellows for the common good. And Benjamin Franklin, at the signing of the Declaration of Independence, tersely stated the same idea when he said, "We must all hang together or assuredly we shall all hang separately."

304. Aptitudes. "She embroiders beautifully." "He is continually making something." "Her great delight is in preparing and cooking tempting dishes." "You never see

him without a book in his hand." These expressions, and many others of a similar nature, are heard frequently. Each applies to some particular individual who seems to have a natural bent or tendency toward some particular line of work. This capacity or fitness for, this leaning toward, and this readiness in learning a particular job are summed up in the term *aptitude.*

305. Discovering one's natural bent. Thomas A. Edison says: "Every man has some forte, something he can do better than he can do anything else. Many men, however, never find the job they are fitted for. And often this is because they do not think enough. Too many men drift lazily into any job, suited or unsuited for them, and when they do not get along very well, they blame everybody and everything except themselves." The boy and the girl in high school should think about what they will do on leaving school or after graduation. They should seek the counsel of parents, older brothers, sisters, other relatives, and the teacher and principal of the school in the choice of a vocation. For the boy there are but two choices: college or the business world; but for the girl there is, in addition, the care of a home.

306. What work do I like to do? The young person must pick out the kind of work he wants to do, and if he wants it hard enough he will get it. Bion J. Arnold, one of America's most famous consulting engineers, said, "The way to achievement is to want something so hard that it hurts if you can't get it." He illustrates this statement by his own experience. "My father wanted me to become a lawyer like himself. Most of the neighbors thought it peculiar for anybody to be interested in engines. But I wanted to construct things that would go, and I wanted to make them go. I hated anything and everything that stood in my way. I went miles and hours out of my way to try to learn what most people seemed to think I ought not to care about." Mr. Arnold early discovered his natural aptitudes and persisted, despite all obstacles, in training himself in his chosen vocation until success crowned his efforts.

307. Daniel Willard's testimony. Daniel Willard, who rose from track laborer to president of the Baltimore and Ohio Railroad, said: "I have always tried in every position to suit my employer, to make myself as useful as I knew how, never bothering about the number of hours I put in if there were things that needed to be done. I have always been an early riser . . . . It is well to read up everything within reach about your business; this not only improves your knowledge, your usefulness, and your fitness for more responsible work, but it invests your work with much more interest.

"I had no special advantages. I had no superior education, no unusual mental gifts, no physical advantages, no influential friends, no money. I worked my way out of the rut by determination to keep right on doing the best I knew how to fill my job, and losing no opportunity to increase my fitness for my job."

308. Edward Everett Hale's advice. Dr. Hale, in speaking to a class of boys and girls, said: "First make it a rule to be out of doors for some definite portion of every day. Nature is a great teacher, and the foundation of all large success is health. Second, rub elbows every day with your fellow men. We live in a democracy, and no one can expect large usefulness in a democracy who lives to himself. Only by knowing your fellows, working with them, and letting their fellowship and influence work on you can you expect to achieve really first-class success. Finally, spend some time every day with some one who knows more than you do—a live man if you can find him; or a man of a former generation speaking through a great book. Don't spend your life with those who know less than you do or only as much; expose yourself regularly to the inspiration and education of bigger, more mature minds."

309. Motto. Nobody except myself can cheat me of ultimate success.

QUESTIONS

1. What do you understand by the "learned professions"? 2. Explain "caveat emptor." 3. "He has a strong personality." What does this statement mean? 4. Nine out of ten applicants for

positions are rejected because of personal appearance. Why? 5. What is good posture? 6. A clerk's time record for a month showed that he "rang in" at exactly 9.00 A. M. each morning, the time for beginning work. Comment on such a record. 7. "A man is known by the clothes he wears." Is this true? 8. What do you mean by "conservative styles" in clothing? extreme styles? 9. What is courtesy? 10. If you were manager of a chain of stores would you have sent the telegram described in Section 284? 11. Do good manners have a dollar and cents value? Explain. 12. "Every cloud has a silver lining." Explain. 13. "If you bring a smiling visage to the glass, you meet a smile." Explain. 14. Name five simple rules of health. 15. Personality is not a gift but an attainment. Explain. 16. Name some traits of character. Which appeals most strongly to you? 17. He is honest. Does this merely mean that he would not steal money? 18. I was "docked" for lateness. What does this mean? Is it justifiable?

TOPICS FOR DISCUSSION AND INVESTIGATION

1. Gather facts of interest about the lives of one of the following for a talk before your classmates: John Wanamaker, Lady Astor, Ralph Waldo Emerson, Charles M. Schwab, Edgar A. Guest, Benjamin Franklin, Alexander Hamilton, Theodore Roosevelt, Roger W. Babson, Ignace Jan Paderewski, Bion J. Arnold, Daniel Willard, Edward Everett Hale. 2. Debate the following question: *Resolved*, That a business career offers as great an opportunity for service as the profession of medicine. 3. What are some of the beneficial effects of a daily morning bath? 4. Does the large store or factory nearest your school attempt to regulate the dress of its employees? How? 5. What is tact? 6. "Mens sana in corpore sano." What does this quotation mean? Is it good advice? Why? 7. "Honesty is the best policy." Is it? Think carefully about the question. Look carefully at the meaning of "policy" in your dictionary.

PROBLEMS

1. Make a list of the things you like to do, another of the things you can do. Study these lists to determine a possible vocation for yourself. 2. Think of two or three persons you know. Make a list of their characteristics which are pleasing to you. 3. Your study of this chapter may be summarized in the following diagram. Fill in briefly the information requested.

Personal Qualities	Names of Particular Traits	Description of Each Trait	Example of Each Trait	Why Desirable	How Attained
Personality					
Character					
Aptitudes					

Chapter XVIII

PREPARATION FOR AND SEEKING EMPLOYMENT

310. Opportunities for employment. In our country, a young person may attain any position for which he may aspire if he has the requisite abilities. Not so, however, in many countries of the Old World. There, the boy usually follows the vocation of his father, or at least of his family. The laborer's sons get jobs which require little except brawn and muscle. The farmer's boys become farm hands; the carpenter's, skilled mechanics; the physician's, professional men; the nobleman's sons enter the civil service, the army, the navy, or the Church. But in the United States, opportunities are open in all industries and professions for the properly qualified applicant no matter what his family connections may be or how much or how little influence or money he may have.

311. Choosing a vocation. Because there are so many opportunities in America, the choice of a vocation is difficult, and sometimes very discouraging. One young man solved the problem in the following manner: He began very early in his high-school course to consider what his life work should be. He tried to discover his capacity, fitness for, leaning toward, or readiness in learning some particular line of work. He discussed the choice of a vocation with his family, and with other men and women. And he observed the occupations of people with whom he came in contact to discover the demand for additional workers in each particular field, the possibilities for promotion, the wages paid, the conditions of work, and the amount of general education and specialized training required.

312. Preparation for employment. A broad, general education is useful in every occupation in life. A young person

should, therefore, remain in high school, if possible, until graduation, and profit by all the instruction there offered as well as by the personal contacts with his fellow students and with his teachers. He should also engage in some school activity other than his classroom work. After he has determined on the kind of work he would like to do, he should learn the duties of that vocation and fit himself to perform these duties.

313. **Locating a vacancy.** During the World War government employment agencies were opened in all our large centers of population. They assisted applicants to secure positions, and industries to obtain help. In normal times, however, the young man or young woman does not find vacancies quite so numerous, nor the assistance in locating them so efficient. He must depend largely on his own initiative, and must make the best of the peace-time helps at hand.

314. **" Want ads."** When business enterprises need additional workers, they usually insert "help wanted" advertisements in the columns of the local newspapers, in trade journals, or in technical magazines. An applicant for a position should scan the "help wanted" sections of these newspapers or periodicals which are on file in the public library. However, opportunities for employment there offered are limited to establishments which advertise for help.

YOUNG MAN, 16 or over; insurance office work and filing; state age, education and salary to start. 4012, Ledger Office.

CLERK—Young woman for clerical and general office work, good writer, correct at figures. 2707 State St.

Fig. 114. Help-wanted advertisements.

315. **Situations wanted.** These are similar to "help wanted" advertisements except that they are inserted by the applicant for the position. He may either prepare a brief résumé of his qualifications for insertion or may request the assistance of one of the experienced "want-ad takers" in the employ of newspapers and trade journals. Or the person who desires employment, may select a few progressive business establishments which specialize in the field of work that he has chosen, and may file with each an application for a posi-

tion. When a vacancy occurs in any of these organizations, he will probably be granted an interview.

316. Employment agencies. These are operated as private business enterprises in many of our large centers of population. They try to learn about vacancies as they occur, and to find workers to fill these positions. They receive a fee, usually a percentage of the first week's or month's salary, for each applicant placed. Employers keep these bureaus informed of their needs, and applicants for positions list their names and addresses with them in anticipation of a call. Many different kinds of positions may be had through employment agencies, but the majority of calls and placements are for laborers, domestic help, and mechanics.

Fig. 115. This high-school boy consulted the employment counselor in his school about a job. She helped him to discover the kind of work he wanted, the training he needed for it, and the opportunities for advancement which it offered.

317. Relatives and friends. When a vacancy occurs in a business organization, an employee may recommend his friend or relative for the position. Thousands of openings are filled in this way every business day.

318. Methods of applying for a position. The two principal methods of applying for a position are the letter of application and the personal interview. Usually the letter is followed by a private conference before the position is obtained.

319. Mechanics of a business letter. Custom demands that a business letter shall be made up of at least six parts: the *heading*, the *inside address*, the *salutation*, the *body*, the *complimentary close*, and the *signature*. Point out each of these parts in Figure 116. Note the position of each part on the page, its arrangement, punctuation, and contents. Business letters must be correctly spelled; properly punctuated and paragraphed; artistically arranged; free from ink spots, careless erasures, crossed-out words, and crooked margins; typewritten, or if advisable pen written, on full-sized sheets of heavy white business letter paper with envelopes to match; and folded with care into a neat packet. Observance of these directions will many times get a letter read. Nonobservance will frequently result in its being thrown into the waste-paper basket after the first casual glance.

320. The letter of application. The letter of application is a sales letter, for its object is to sell one's services. Good correspondents agree that the body of this kind of letter should contain at least six elements: A formal application for the position; a detailed statement of the business experience of the writer; his education; his references; information of a personal sort such as age, habits, health, salary expected, race, nationality, and whether married or single; a request for a personal interview. If the letter is in reply to a "want ad," it must, in addition, definitely answer any queries contained in the advertisement.

Figure 116 is a letter of application such as a high-school boy or girl might write. Read the portion of this letter that is descriptive of each of the six elements. Are any omitted? Is the omission wise? Are any other elements added?

321. The personal application. A story is told of a bright, aggressive boy who noticed a "boy wanted" sign on the door of a business establishment that specialized in the kind of work he wished to do. He lifted the sign, walked in, and presented it to the proprietor with the suggestion that it was no longer needed as he was the boy wanted. That boy, if he ever

1947 North Howard Street,
Baltimore, Maryland,
June 20, 19—

Multipost Company,
3382 East Bay Avenue,
Baltimore, Maryland.

Gentlemen:

Please consider me an applicant for the position of general clerk which you advertised in this morning's Tribune.

I have been employed as messenger and office assistant after school hours and on Saturdays during the present school year by John H. Ransom Company, 1932 West Royal Street, Baltimore; and I did general clerical work during my vacation last summer in the offices of the Eastern Power Company, Pocomoke City, Maryland.

I have completed my course at the Cooke Junior High School, and I will receive my diploma next week. While in high school I took special work in Junior Training for Business, Typewriting and Business English.

My references by permission are:

Mr. James Sleminer, Office Manager,
John H. Ransom Company.
Dr. Oscar Iverson, Principal, Cooke
Junior High School.

I am sixteen years of age and of American parentage.

I can call at your office for a personal interview at any time convenient to you. My telephone number is Maryland 0124.

Very truly yours,

Fig. 116. A letter of application which was written by a junior high-school boy.

existed, had one quality which will carry him far in the business world—*confidence in himself*. He was able to look his interviewer squarely in the eyes and to answer his questions in a straightforward manner. He asked no favors, but offered for sale certain qualities and abilities, which in his judgment were worth buying. Such confidence is the result of many factors, some of which are under the control of the prospective employee: a clean, healthy body, an alert mind, polished shoes, combed hair, well-kept hands, appropriate clothing, consciousness of being on time, satisfactory achievement in school or in the previous job, and knowledge of the kind of duties to be performed in the new position. Employers are searching for such young men and young women, and sometimes will make a place for them even if no vacancy exists. As one executive said, "We want men who are continually thinking, planning, and striving for us."

QUESTIONS

1. Name five methods of locating a vacant position. Which is most commonly used? Which form is preferable? 2. Distinguish between "Help wanted" advertisements and "Situations wanted." 3. A young engineer read in a daily newspaper that two states were to build a large suspension bridge across the river which separated their territories. He immediately filed an application for a position with the Bridge Commission. What do you think of this method of securing a situation? 4. What is an employment agency? Are there any of these agencies near your home? What kind of "help" do they supply? 5. Is one asking a favor when he tells his friends he is seeking employment? Explain. 6. Name the parts of a business letter. 7. A business letter must be artistic. What does this mean? 8. What should a letter of application contain? 9. Lincoln wrote to Grant, "You are vigilant and self-reliant." What did the President mean? Are these qualities necessary for an army officer? an office boy? 10. Which is more important, good pay at the start or good prospects for advancement?

TOPICS FOR DISCUSSION AND INVESTIGATION

1. Which is better for the young person starting in life: a free choice of a vocation, or a national custom which requires him to do pretty much as his father or his family did before him? 2. "America is the land of opportunity." What does this mean? 3. "He is a gentleman" in many European countries means that the person is

a member of the nobility. What does it mean in America? 4. What is meant by the expression "to find oneself"? 5. "My boy has just been graduated from college and I want you to give him a job as your assistant," said the president of a company to his general manager. "My boy has just graduated from college. If agreeable to you, I wish him to start at the very bottom," said another. Which command is good business policy? bad business policy? Why? 6. High-school graduates overtake those who finished the eighth grade only. Explain this statement and give a reason for the fact.

PROBLEMS

1. From the "Help Wanted" columns of a local newspaper list the positions available for boys or girls under eighteen years of age. What kind of help is needed most frequently? What qualifications are repeatedly asked for? Classify the qualifications demanded under the following headings: education, experience, personal appearance, character, skill. 2. Four "help-wanted ads" are reproduced on this page.

BILL CLERK for our billing department; must be quick at figures and write a plain hand. Address in own handwriting, giving age, references and salary expected. K 4002, News Office.

BOYS

FOR OUR JUNIOR DEPARTMENT

We have a few openings for boys, over 16 years of age, who have completed the eighth grade, to act as messengers, stock boys and office assistants; fine opportunity for self-development and promotion within a short time.

Apply Bureau of Employment

JAMES S. WILSON & CO.

BOY, 15 years or over, to start work in office of large corporation; centrally located; good chances for advancement for one willing to learn; must be neat and good penman. Write R 4044, Sun Office.

JUNIOR CLERKS

16 and 17 years of age.

Our work now offers an opportunity to the girl who would like to be trained in filing and general clerical work in our general offices; the positions offer real advancement to the right girl.

BROWN, FOSTER & CO.

234 Front St.

Write letters of application for any ~~two~~ positions here offered. Your teacher will tell you whether each letter you write justifies a personal interview, or whether it indicates that you are not qualified for the job. 3. One of the letters comes back marked "Interview." Think over carefully what you will say when your teacher, acting as employer, calls you into a private conference. Make an outline of the qualifications for the position which you wish to offer at the interview. 4. Fill in carefully the application blank which is given to you by your interviewer. 5. Select a business concern with which you would like to be employed. Prepare a letter of application following the outline suggested in section 320.

Chapter XIX

THE MESSENGER

322. Junior occupations. Some years ago a group of trained men and women under the direction of the Federal Board for Vocational Education at Washington made an investigation of business enterprises in various parts of the United States to find out what commercial positions were held by boys and girls of fourteen to seventeen years of age, what duties they were expected to perform, and what were the possibilities for promotion. Junior workers were found occupying about twenty-eight different jobs. Of the 3500 young employees surveyed, nearly one-fourth were messengers, which term includes office boys and office girls.

323. Opportunities in messenger service. The duties of the messenger take him into all departments of the organization, where he may gain useful knowledge. He learns about the work of each department, the service it renders, and its place in the general plan of organization. This information not only adds interest to his job but also helps him to determine where his aptitudes and interests lie, and to prepare himself for the division of the business for which he is best fitted. The messenger learns to meet people by his personal contacts with the executives and others in high positions in the business. He assists other employees in the performance of their respective duties. Each task is an opportunity to increase his knowledge and skill. If approached in that spirit, it will be a step toward advancement.

The messenger's duties many times take him outside his own organization to business establishments of different kinds, and to meet executives other than his own. To the wide-awake boy or girl, these are added opportunities to broaden one's knowledge of industry and of men and women.

Fig. 117. Many business executives believe that the job of general messenger offers the best opportunities for advancement of any of the occupations open to young people. The telegraph messenger has fewer opportunities.

Furthermore, no matter how trivial the errand, the messenger is the representative of his house, and can create a favorable or an unfavorable impression of the establishment in which he is employed.

324. Telegraph messengers. "Get me a messenger quickly." "Here is the messenger boy." These expressions usually refer to representatives of the Western Union or the Postal Telegraph companies who deliver telegrams or receive messages for sending. Several men, who later achieved marked success, started in business as telegraph messengers. The position, however, does not offer as many opportunities for advancement as that of office boy or office girl. It does, however, take the boy into many kinds of business establishments, where he may discover work to his liking.

325. General office or store messengers. These employees are also known as office boys or office girls. They make themselves generally useful about the office or store, and run errands. The messenger boy or girl performs a useful service, and is entitled to the respect of his fellow employees, and a reasonable salary with opportunity for advancement.

326. Qualifications for messenger service. The work does not require specialized training, but a messenger who gives the best possible service must possess or acquire the following characteristics: a good memory, a cheerful disposition, a courteous manner, grit and determination to succeed, honesty in all things, speed in movement, promptness, initiative, attention to instructions, dependability, accuracy, neatness in personal appearance, and unswerving loyalty to his employer.

327. Local geography. A messenger must acquire much more information about his home community than is usually possessed by boys and girls of his age. He must know the general plan of his city, town, or village, the name and location of each suburb, the location and direction of the main streets with the numbering system in use on the houses, the places of interest, the parks, business establishments, office buildings, institutions, seat of the local government, railroad stations, post and express offices, and trolley lines and other transportation facilities.

328. Duties of the general messenger. These duties vary with the particular office, shop, or store in which the messenger is employed. In general, however, a messenger's duties are as follows: To arrive at the office in time to see that it is properly ventilated; to dust the desks, fill the ink wells, change the blotters when necessary, and to keep each desk supplied with pens, pencils, clips, rubber bands, erasers, and other necessary tools: to keep clean the various office machines, and to learn to run the simpler ones; to distribute the mail to the various departments; to assist other employees; to deliver packages, or messages; to take deposits to the bank;

Fig. 118. The general messenger must be able to answer the telephone properly.

to run errands; to answer the telephone in the absence of the regular operator, and at times to meet callers.

329. **Running errands.** The efficient messenger is one who carries his message or parcel promptly, by the shortest route, to its destination, delivers it to the party to whom it is addressed with no explanations other than those explicitly given him, requests a receipt, and returns promptly. He is in business, and conducts his affairs with business-like dispatch.

330. **Answering the telephone.** Individual desk phones are answered by the person using the desk or by his stenographer or secretary. In the absence of these employees, or if they are otherwise engaged, the messenger may answer. The procedure is as follows:

Telephone bell rings.

Messenger: "Brown Manufacturing Company."

Voice: "May I speak with Mr. Brown?"

Messenger: "Just a moment until I see if he is in. May I say who is asking for him?"

Voice: "Smith, Kline & French, Mr. Smith."
Messenger: "Hold the wire, Mr. Smith."

If Mr. Brown is not in, resume the conversation with: "Mr. Brown is not in at present. He will be back at two-thirty. Will you leave a message?" Or if Mr. Brown is busy, say: "Mr. Brown cannot talk to Mr. Smith at present. Will you leave a message?" If Mr. Smith gives a message it should be entered on a form similar to Figure 119 and left on Mr. Brown's desk.

December 8 19—

Mr. James Brown

WHILE YOU WERE OUT

There was a ~~telephone~~ personal call to-day at 11 o'clock

From Mr. Logan Howard Smith

of Smith, Kline and French

who said he would call again at 3 P. M.

Telephone number is West 0124

Signed Watson Clark

Fig. 119. A memorandum form for telephone or personal calls which are received in the absence of the executive.

331. Making a business call. The procedure is similar to that outlined in Section 132. When the party answers, say, "Just a moment, please," or "Hold the wire, please," and immediately connect him with Mr. Brown.

332. Meeting callers. As a rule messengers are not required to meet callers; but when no one else is in the outer office, they must do so. This is a very important assignment and requires tact and courtesy. Approach the caller with a polite "Good morning! (or Good afternoon!) Whom do you wish to see?" Upon receiving the information, say: "I will see whether Mr. Brown is engaged. Who shall I say wishes to see him?" If Mr. Brown will receive the visitor, return to the outer office and conduct the caller in at once. If Mr. Brown is in conference, return and say, "Mr. Brown is engaged at present, but will see you in a few minutes. Will you wait?" If, however, Mr. Brown cannot confer with the caller, simply reply: "Mr. Brown will be unable to see you

today. May I make an appointment for you for another time?" If the caller requests an appointment, fill in the details on a form similar to Figure 119 and leave it on Mr. Brown's desk.

QUESTIONS

1. Why does messenger service offer an excellent opportunity for promotion? 2. "He knows how to meet people." What does this statement mean? Is this ability an advantage? Why? 3. Explain the advantages of outside errands to a messenger. 4. Give one advantage of the position of telegraph messenger. 5. Give a brief description of each of the qualities listed in Section 326. 6. Why must the messenger know local geography? 7. Give some of the duties of a general messenger. 8. Is a messenger during business hours justified in watching the scoreboard of a baseball game? Explain. 9. The following expressions have been used by messengers in addressing callers. Criticize each one. (*a*) "Who did you wish to see?" (*b*) "Mr. Brown is busy and does not wish to see you." (*c*) "Excuse me, I will see." (*d*) "Step into his office, please." (*e*) "I know Mr. Brown will be glad to see you." (*f*) "Do you wish to wait?" (*g*) "Is Mr. Brown in?" "Yes, sir. Would you like to see him?" or "Yes, sir; but he is very busy and does not wish to be disturbed." (*h*) "Will you leave your name?"

TOPICS FOR DISCUSSION AND INVESTIGATION

1. What is a "blind alley" job? Name several. Is messenger service a "blind alley" job? 2. The messenger has a good opportunity to study human nature. What does this mean? 3. Find something of the duties of the bank messenger; of the telegraph messenger; of the express messenger. 4. What opportunities for advancement are open to the store messenger?

PROBLEMS

1. Draw a diagram of the business section of your city or town. Mark on it the principal business streets. Locate the important suburbs, parks, places of interest, railroad stations, telegraph offices, newspaper offices, banks, hotels, office buildings, stores, post office, city hall.

2. Using a form similiar to the Messenger Record shown on page 189, record the duties which you performed in one day as messenger in the office of L. C. White & Co. Tell exactly how you did each task.

MESSENGER'S RECORD

Date: May 5, 19—

Memoranda of Work Done

TIME	DUTY, ERRAND, SERVICE, OR WORK DONE	FOR WHOM	REMARKS

8.50 Distribute mail to the offices.

9.15 Telephone rings. It is a call from Jackson Brothers for Mr. White. Answer the call.

9.20 A gentleman calls to see Mr. Williams, the manager. Mr. Williams is going over his mail and asks the gentleman to wait.

9.30 Mr. White rings and asks you to put in a long distance call for Wilkinson & Burke, Cleveland, Ohio.

9.45 The manager rings and asks you to call up Mr. Harley, the foreman of Plant No. 3, and ask him to come to the office.

9.50 Phone rings. Mr. Adams of the Adams Sheet Metal Works wants to talk to the manager.

10.00 Mr. White sends you to the file room to get the correspondence from C. L. Beecher in regard to the installation of new machinery.

10.15 Mr. White sends you on an errand to Mr. B's office in the post-office building,

10.55 Telephone rings. Mr. Eastman wants to talk with Mr. White. Mr. White is busy with a caller.

11.00 Phone rings. Wilkinson & Burke, of Cleveland, are on the wire.

11.15 The entry clerk asks you to help him check up some figures.

11.45 Collect the mail to be sent out and take it to the mail clerk's desk.

12.00 Lunch hour. The sales manager asks you to get him B. & M. R. R. and N. Y., N. H. & H. R. R. time-tables on your way back from lunch.

1.15 Sent by general manager to Harper & Johnson for blue prints promised for today.

1.30 Phone rings. Call for Mr. White. Mr. White is out. Will return at 2.30.

1.45 The stenographer sends you to the store room for a typewriter ribbon, some carbon paper, and letter paper.

2.00 The sales manager sends you to buy a ticket to Portland, Me., for the train leaving at 10.30 tomorrow night and to reserve a lower Pullman berth.

2.45 A caller enters wanting to see Mr. White. Mr. White has left word that he must not be disturbed. He has important papers to go over.

2.55 The advertising manager rings and sends you with material for tomorrow morning's paper.

3.30 The manager sends you to get two tickets for the theater for tonight.

4.15 Collect the mail to be sent out.
Take the letters answered and carbon copies of the replies to the file room.

4.30 Mr. White has left for the day. Straighten his office and see that the windows are closed.

4.45 Phone rings. Someone wants to talk with Mr. White.

5.05 Clerks have left. Close the offices.

Chapter XX

THE MAIL CLERK

333. Importance of mail clerk service. Probably the greatest single aid to present-day American business is our cheap letter and parcel post. Its efficiency is amazing. One mails a letter to any part of the United States and takes for granted that it will arrive safely at its destination with no undue delay. The mail has become the connecting link between a business and its customers.

Many wholesale dealers never visit the factory or supply house from which they buy goods, nor come into personal contact with any of its executives or employees except the salesmen. Transactions are conducted and concluded largely by mail. The retail trade, especially in country districts not adequately supplied with stores, selects goods by means of mail-order catalogues, orders by mail, receives the merchandise by parcel post, and remits by check or postal money order.

The clerks in any organization who keep this river of correspondence flowing smoothly and rapidly to the proper departments, and from them to the mail box, chute, or post office, are making a real contribution to the efficiency of the entire business. The one activity which touches every business, great or small, is the everyday task of getting out the mail on time and in the best possible shape.

334. Qualities demanded. In small offices the care of the mail devolves upon the stenographer. But where the volume of the correspondence is large, special mail clerks are employed. The character of the work is exacting, and its importance cannot be overemphasized. It demands a good general knowledge of the entire business organization; speed in handling letters and parcels; judgment in examining each

and determining to which department it belongs; precision in noting inclosures present or missing; accuracy in the preparation of outgoing mail to see that letters are placed in the proper envelopes; honesty, and a sense of loyalty which forbids discussion of the contents of the correspondence.

335. Duties of mail clerks. The mail clerks must sort the incoming mail; open and examine the letters or parcels; distribute them to the various departments of the business;

Fig. 120. The mail-opening department of a large mail-order house.

collect outgoing mail; prepare it for mailing, and deliver the incoming letters and the carbon copies of the replies to the filing department.

336. Equipment. Figure 121 shows a desk properly arranged for the care of the mail. Name the departments into which this business is divided. Where on the desk are the racks for the departmental mail placed? the stack of unopened letters? the stamp for dating the time of arrival of each letter? the pins or clips to fasten the separate sheets to each other and to inclosures? the paper cutter to slit the envelopes? the note pad for memoranda? the pencil? Should the volume of the mail require the services of a number of clerks, this desk system may be expanded to accommodate the additional workers.

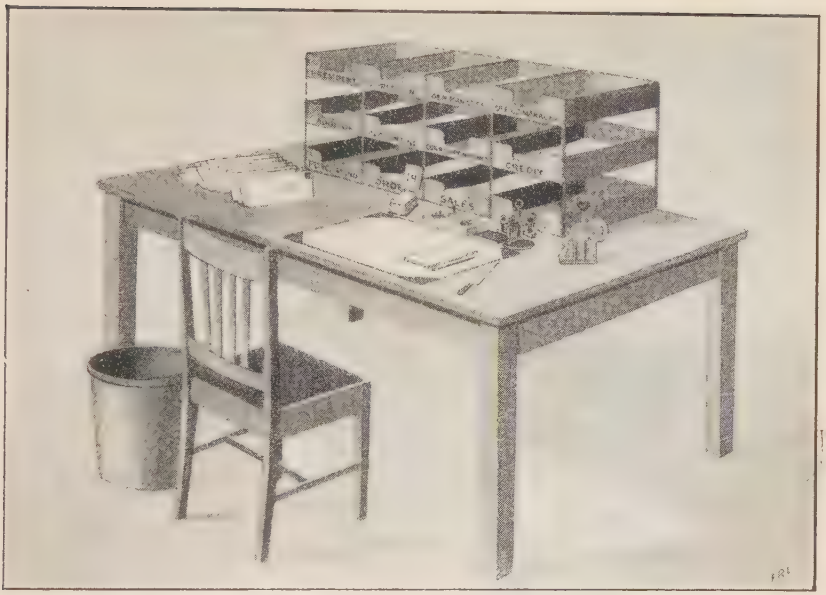


Fig. 121. A mail clerk's desk properly arranged to care for the mail.

337. Sorting incoming mail. In a large office, incoming mail goes direct to the mail-opening clerks to be sorted. The letters or parcels addressed to a particular department are placed unopened in the tray reserved for that department. As a result of the practice of printing on business letter-heads "All communications must be addressed to the company" a large portion of the daily mail is so addressed. This is stacked on the desk in the space reserved for unopened envelopes.

338. Departmental organization. The number of receiving trays on the mail clerk's desk depends on the number of departments in the business. This varies with different establishments, and with the growth of a single establishment. The trays on the mail clerk's desk in Figure 121 indicate that the work of this establishment was distributed among twelve departments.

339. Opening the mail. If the volume of correspondence is large, electric or hand-driven machines are used which shear

a narrow edge from each envelope (Fig. 122). If small, the envelope is laid face downward on the desk and a paper cutter run along under the flap. With the exercise of a little care, one can avoid cutting the folds of a letter or damaging the inclosures. Some clerks slit each envelope on three sides and open it flat to prevent the contents from being overlooked.

340. Examining the mail. The clerk removes the contents of each envelope and holds it before the light to see if anything remains within. He looks to see if the name and address of the writer are on the letter-head. If the name or address is missing, he pins the envelope to the correspondence; if present, he may destroy the envelope. Some offices, however, require that all envelopes from incoming mail shall be pinned to their respective correspondence.

Fig. 122. A letter-opening machine which shears a narrow strip from the top of each envelope without injuring its contents.

341. Inclosures. The clerk scans the contents of the letter. He notes such phrases as "We are inclosing," or "Inclosed find." If the envelope is said to contain money, the declared amount must be checked against the sum actually received, and given, together with a suitable memorandum, to the cashier. If the sum is incorrect, a note of the shortage or excess must be made on the margin of the letter. If the envelope contains invoices, pamphlets, catalogues, or advertising literature, they must be removed and pinned to the letter-head. If the inclosures are missing, a memorandum to that effect must be written on the sheet.

342. Dating the mail. To fix responsibility for delay and to settle disputes, business establishments date each letter when it is received. For this purpose they use either a rubber dating stamp or a time stamp. (Fig. 123) Suggest the advantage of the time stamp over the date stamp. If

neither of these devices is provided, the mail clerk should write the date and hour of arrival on each letter-head.

343. Under separate cover. This is a rather common phrase in business correspondence. It refers to pamphlets, catalogues, samples, or other materials which have been wrapped in a separate package and shipped either by parcel post, express, or freight because they are unsuitable or too bulky for inclosure in the envelope. If sent by mail, the article may arrive with the letter, but more often it comes by a later delivery. The mail clerk should be provided with a form similar to Figure 124 and record thereon merchandise expected under separate cover, giving the name of the article, by whom sent, the date of the letter, the department concerned, and the date received. If the articles were shipped by express or freight, a similar memorandum must be made out and sent to the receiving department.

Fig. 123. A dating stamp which records the hour, the day, the month, and the year in which a letter was received.

344. Distributing the mail. The hasty reading of each letter reveals the department for which it is intended and enables the mail clerk to place it in the proper tray. The contents of the trays are later distributed to the respective

MAIL EXPECTED UNDER SEPARATE COVER

ARTICLE	FROM WHOM	DATE OF LETTER	DEPARTMENT	DATE WHEN RECEIVED
Photographs	Bell Telephone Co.	November 10	Editorial	Nov. 14
Electros	Western Union	November 12	Composing	
Catalogues	Van Mann & Co.	November 12	Purchasing	

Fig. 124. This form enables the clerk to deliver such mail to the proper departments immediately upon its receipt, and to remind the various departments of articles lost in the mails.

departments either by the office messenger, or by the mail clerk. If a letter needs the attention of several departments, the names of the departments are written on the margin, and it is routed to each in turn.

345. Collecting outgoing mail. In some establishments outgoing mail is gathered from the various departments by the office messenger at regular intervals during the business day, and is given to the mail clerks for folding, inclosing, sealing, stamping, and mailing. In others, the finished letters together with inclosures are sent to the mailing section as soon as they are signed.

346. Inclosures and under separate cover. One duty of the stenographer or private secretary is to prepare inclosures and fasten them to the letter-head; to assemble material to go under separate cover, to type the address on the label or wrapper, and to forward this with the letter to the mailing section, or if bulky, to the shipping room. The mail clerk must check all inclosures and put them into the proper envelopes. He must know that coin or bills cannot be safely sent by ordinary mail, and that waxed paper must be placed between stamps before they are inclosed in the envelope. He must be familiar with the postal regulations in order to

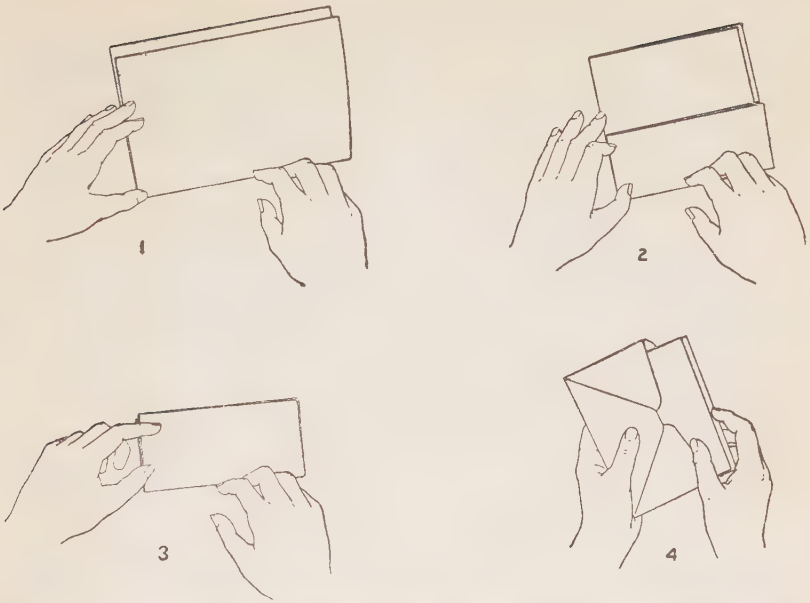


Fig. 125. How to fold a standard letter-head for insertion in a standard size envelope.

decide the most suitable way to send catalogues, pamphlets, samples of merchandise, or other articles.

347. Folding and inclosing. Figure 125 shows the process of folding a standard business letter-head (8½ x 11 inches), and the proper method of inclosing it in an envelope. This process may be mastered by following a few simple directions: Fold the paper from the bottom upward to within a quarter of an inch of the top; turn the right-hand edge slightly toward the body; fold twice from right to left, each fold one-third the width of the paper; grasp the creased sheet with the right hand, the envelope with the left hand, and insert the letter.

Business letter paper, 8½ x 5½ inches, is called *note-head* paper. With the omission of the first fold, note-heads are creased and inclosed exactly as the standard letter-size paper.

Business letter paper, 8½ inches x 14 inches, is known as *legal size.* When used for correspondence it is folded from the

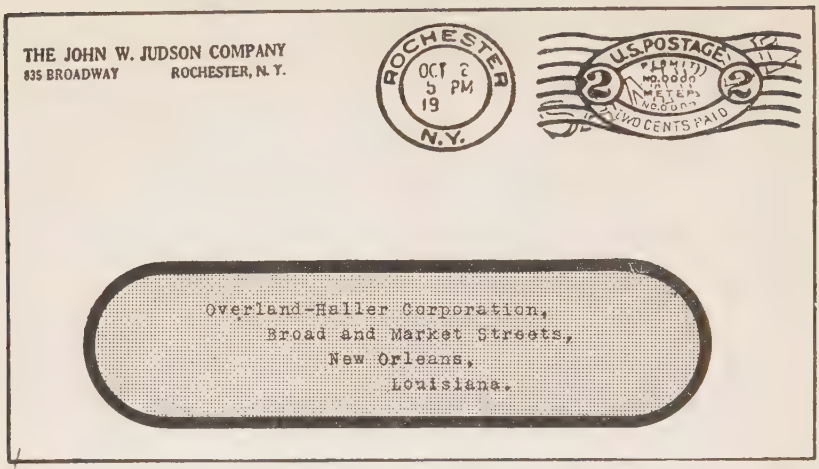


Fig. 126. A window envelope bearing the return address, and a postage meter imprint.

bottom upward to within a half inch of the top, and a second time in the same way. The letter is placed in a legal size envelope, the folded side toward the back.

348. Window envelopes. Figure 126 is a window envelope. Why is it so called? How does it differ from an ordinary envelope? Window envelopes save the labor of writing the outside address, and remove the danger of putting a letter into the wrong envelope. The letter-head must be folded so as to bring the inside address directly beneath the transparent tissue.

349. Sealing. In order to seal a large number of envelopes quickly, stack the envelopes with the address down and the flaps opened. Brush a dampened sponge over each gummed surface and seal. After one has become adept at this work he can with a twist of the thumb expose the flaps of a

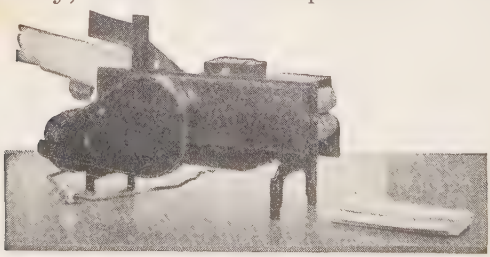


Fig. 127. An envelope-sealing machine.

pile of envelopes to one sweep of the moist sponge, and materially lessen the time required for sealing.

350. Stamping. Here again the problem is to eliminate needless movements. The following procedure is suggested: Arrange the envelopes in a pile, address side up; tear the sheets of one hundred stamps as they come from the post office into horizontal strips of ten each; draw the gummed side quickly across a dampened sponge; apply the first stamp to the upper right-hand corner of the top envelope; press firmly; tear along the perforations; continue with the second stamp and envelope; the third, and so on.

351. The place of the stamp. As the canceling machines in use by the post office automatically postmark the upper right hand

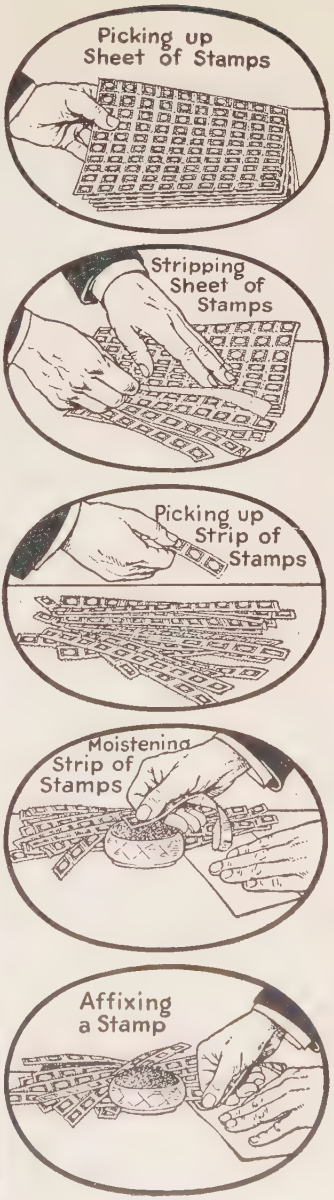

Picking up Sheet of Stamps
Stripping Sheet of Stamps
Picking up Strip of Stamps
Moistening Strip of Stamps
Affixing a Stamp

Fig. 128. Affixing stamps with a stamp affixer and by hand.

corner of an envelope, and cancel the stamp, the stamp must be placed in that position, parallel to the edges of the envelope. If the stamp is affixed at any other place on the envelope, the letter must be laid aside and canceled by hand. This may delay the delivery of that piece of mail.

352. Labor-saving devices. Most of the labor of preparing the mail for the post office can now be done by machinery. There are sealing devices (Fig. 127) which will seal 250 to 300 envelopes a minute. There are stamp affixers. (Fig. 128). There are machines which seal and stamp the envelope, and register the number of stamps used. Finally, there is the postage meter machine which seals the envelopes, counts them, and prints on each the amount of postage, the permit, the meter number, and the post mark. (Fig. 126.) Meters may be used only under permit from the post-office department. Metered mail does not require gummed stamps.

353. Postal information. To conduct so huge a business as the United States Post Office requires definite regulations. Those regulations which concern the general public have been collected and printed in a pamphlet of information entitled, *Postal Information*, a copy of which may be had on request from the post office. The regulations in this pamphlet which are most frequently consulted are given in brief form in the following sections. The complete text of each regulation must be had from *Postal Information.*

354. Classification of domestic mail. Domestic mail includes mail addressed for local delivery, or for transmission from one place to another within the United States, or to or from or between possessions of the United States. It is divided into four classes: *First, Second, Third,* and *Fourth.* The fourth class is the domestic parcel post.

355. First-class matter. This includes the originals and carbon or letter-press copies of hand or typewritten matter such as letters, postal cards, post cards (private mailing cards) and all matter wholly or partly in writing whether sealed or unsealed; also matter sealed or otherwise closed against

inspection. The rate for letters and other first-class matter is two cents for each ounce or fraction thereof; for postal cards, one cent each; for private mailing cards, two cents each; and for *drop letters*, one cent for each ounce or fraction thereof.

356. Second-class matter. Newspapers and periodicals usually display prominently on the first page or cover the notation: "Entered as second-class matter at the post office in (naming the place of mailing) under act of March 3, 1879." This means that the post office has extended to that piece of mail the privilege of second-class delivery. It must contain no writing except the necessary addresses, and notations such as "Sample copy," or "marked copy." The rate for second-class matter, when mailed by others than publishers is two cents for each two ounces. This rate applies up to eight ounces, after which fourth-class rates apply. Incomplete copies of newspapers or periodicals are third- or fourth-class matter according to weight.

357. Third-class matter. All mailable matter up to eight ounces in weight which is not included in the first or the second class is third-class matter. The rate of postage on third-class matter, except books, seeds, and plants, is one and one-half cents for each two ounces or fraction thereof. The rate on books, seeds, and plants is one cent for each two ounces or fraction thereof. Such phrases as "Merry Christmas," "With best wishes," "Do not open until Christmas," or a card bearing the name and address of the sender may be placed on or in third-class mail without affecting the classification.

358. Fourth-class matter. This is the domestic parcel post. (Secs. 177–180.) It embraces all matter weighing over eight ounces and not included in the first three classes. The rates vary with the weight and the distance to be carried. A service charge of two cents in addition to the regular postage is made for each parcel, except parcels originating on rural routes.

The mail clerk prepares and sends only the smaller parcel-

post packages. Bulkier, heavier parcels go through the shipping room. (Chapter XXVII.) The mail clerk should recall the suggestions for wrapping, addressing, and stamping which were given in Section 178. He must know that parcels weighing four ounces or less, except books, seeds, and plants, are carried any distance at one cent for each ounce or fraction of an ounce; that parcels weighing eight ounces or less containing books seeds, cuttings, bulbs, or plants are carried at one cent for each two ounces or fraction thereof regardless of distance. He must be provided with a postal scale, a parcel-post scale (Fig. 129), a United States Postal Guide (Sec. 460), an official parcel-post zone key (Fig. 172), and a table of rates per pound of mail matter to each of the eight zones (Fig. 173) into which the United States and its possessions are divided. With this equipment he can determine accurately the amount of postage which must be prepaid on letters and packages.

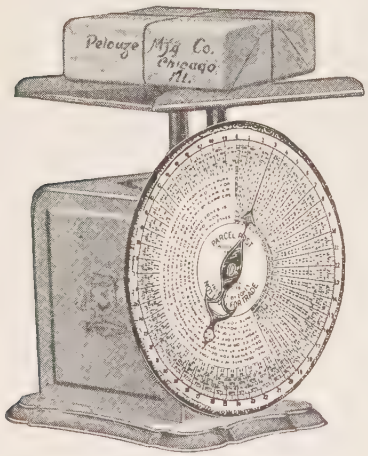


Fig. 129. A parcel-post scale.

359. Foreign mail. Letters are carried at two cents for each ounce or fraction of an ounce to the British Isles, Canada, Mexico, Argentina, Brazil, Bolivia, Peru, Colombia, Ecuador, British Guiana, British Honduras, Panama, Costa Rica, Nicaragua, Spain, Newfoundland, New Zealand, Cuba, Bahamas, Bermuda, and a number of other small islands off the coast of North America. To all other foreign countries the rate is five cents for the first ounce or fraction of an ounce, and three cents for each additional ounce or fraction. Post cards (including souvenir cards) are one and two cents each.

Printed matter in general is charged for at the rate of

NOTE.—Determination of parcel-post rates is discussed as a function of the shipping clerk. (Sec. 459 to 463.)

one cent for each two ounces or fraction of two ounces; commercial papers, five cents for the first ten ounces or less, and one cent for each additional two ounces or fraction; samples of merchandise, two cents for the first four ounces or less, and one cent for each additional two ounces or fraction. The registration fee is ten cents in addition to the postage.

360. Other features of the postal service. The efficient mail clerk will also be familiar with registered mail (Secs. 171 and 182), postal money orders (Sec. 172), insuring parcel-post mail (Sec. 180), and special delivery (Sec. 183).

361. C. O. D. packages. The parcel-post cash-on-delivery service is a real aid toward increasing the volume of sales for American business. It helps the buyer and the seller. The buyer may order an article from any manufacturer or dealer in our country, and must pay for it only when it is delivered to him by the postman. The merchant or manufacturer may advertise his wares through newspapers and magazines under the sales-making slogan of: "Send no money. Pay the postman."

Parcel-post matter may be sent C. O. D. on payment of a fee of twelve cents in addition to the postage for collections up to $10; fifteen cents for collections up to $50; and twenty-five cents for collections up to $100. The remittance is made by post office money order, the fee therefor being included in the amount collected from the addressee. A C. O. D. tag, furnished by the postmaster, must be filled in by the sender and attached to the parcel. The C. O. D. fees automatically insure parcels for their actual value up to $100. A package marked, "*Special Handling*," and carrying twenty-five cents additional postage will be treated as first-class mail.

362. Insufficient postage. The correct amount of postage on each piece of mail must be prepaid. If no postage is affixed or if the amount is insufficient, and the envelope contains no return address, the sum due will be collected from the addressee before the letter is delivered. If the letter contains a return address, it will be brought back for correct postage. This

causes needless delay, necessitates embarrassing explanations on the part of the mail clerk, and may lose business.

363. Mailing. Some establishments post mail only at the close of business, others at regular intervals during the day. The latter plan is preferable. For it permits letters to go by an earlier mail, and it lessens the "peak of the postal load" which lasts from about 5.00 P. M. to 6.00 P. M. each business day.

Letters to distant points in our own country, or to foreign countries, should be posted with reference to the departure of fast mail trains or mail steamers. The efficient mail clerk will know or have on file complete information about such departures.

364. Correspondence for filing. In many offices the stenographer or secretary fastens the carbon copy of the reply to each letter which has been answered and sends both to the filing section. In other offices these duties are performed by the mail clerk.

QUESTIONS

1. How is the mail a connecting link between a business and its customers? Name other such links. Which one is most important? Why? 2. Which of the qualities demanded of a mail clerk and listed in Section 334 is most important? Why? 3. A letter is received addressed to Mr. James Riley, Accounting Department. Should the mail clerk open it? Distinguish between the handling of such a letter and one addressed merely to the company. 4. Distinguish between "inclosures" and "under separate cover." 5. An inclosure is missing. What should the mail clerk do? Name at least two advantages derived from dating the mail. 6. Distinguish among standard letterheads, note-heads, and legal size paper. 7. What is domestic mail? Fill in the blanks in the following chart:

DOMESTIC MAIL

TOPIC	FIRST CLASS	SECOND CLASS	THIRD CLASS	FOURTH CLASS
Includes				
Rate				

8. How does parcel post C. O. D. help the merchant? the consumer? 9. What caution must be observed in placing letters in window envelopes?

TOPICS FOR DISCUSSION AND INVESTIGATION

1. How many pieces of mail on the average are handled by the Post Office Department each business day? 2. A letter is received with no address or signature. What should the mail clerk do? 3. Is it permissible to use window envelopes for any kind of correspondence? 4. What are the regulations governing the use of a postage meter? 5. What opportunities has the mail clerk for advancement? 6. Name the ten largest cities in the United States. What is the closing time at the central post office nearest your home for mail to each of these cities? to England? Italy? China? Argentina? New South Wales? 7. You are a messenger in the employ of Tucker and Brown. They will need another mail clerk in a short time. What can you do to qualify for the position?

PROBLEMS

1. On an outline map of the world name the possessions of the United States included in the domestic parcel post. 2. You are an assistant to the mail clerk for F. H. White & Company having the departments indicated in Section 338. The character of each letter in the morning mail is indicated below. Tell specifically what you would do in each case.

(*a*) Asks for a catalogue; (*b*) quotes prices on office supplies; (*c*) asks for prices on special kind of goods; (*d*) asks for an extension of credit; (*e*) applies for a position; (*f*) incloses a check on account; (*g*) states goods ordered have not been received; (*h*) orders goods and gives shipping instructions; (*i*) states that goods received were of inferior quality; (*j*) asks for information concerning a former employee; (*k*) gives a rush order. Date on letter was six days earlier than the date of its receipt; (*l*) contains advertising circulars; (*m*) asks for credit and gives credit references; (*n*) orders goods, inclosing check; (*o*) asks about a previous order, no address or signature; (*p*) quotes price of goods, samples of which are being sent by express; (*q*) asks the company to help organize a business men's association; (*r*) gives dates when the high school's athletic grounds may be available for company's use; (*s*) incloses pamphlet showing new discount rates—pamphlet missing; (*t*) asks for subscription to Y. M. C. A. building fund; (*u*) orders goods and gives shipping instruction; (*v*) gives notice of a special meeting of an organization to which the company belongs; (*w*) asks the company to take space in a business show; (*x*) asks the firm to contribute an article to a trade journal; (*y*) states that catalogue is being sent "under separate cover"; (*z*) a

complaint about merchandise received in a damaged condition, letter is without an address or a signature; (*aa*) a letter from a near-by city received five days after the date shown in the heading.

3. What postage is required from your home for each of the following pieces of mail? (*a*) a letter to Chicago weighing 2½ ounces; (*b*) a letter to Boston weighing 1½ ounce, registered; (*c*) a letter to London weighing ½ ounce; (*d*) a letter to Paris weighing one ounce; (*e*) a catalogue weighing 6 ounces; (*f*) a package to Pittsburgh, Pa., weighing 2½ lbs; (*g*) a package to Detroit, Mich., weighing 5 lbs.

4. The following articles were received by the mail clerk to be prepared for mailing. Determine the postage on each and record it on a form similar to the one shown below.

Number of Pieces	Kind	Where Sent	Weight	Postage
25	Letters	United States	½ oz. each	
2	Letters, Sp. Del.	Baltimore, Chicago	½ oz. each	

(*a*) Twenty-five letters weighing ½ oz. or less addressed to persons in the United States; (*b*) two special delivery letters, one addressed to a Baltimore firm, the other to a Chicago firm; each letter weighs less than one ounce; (*c*) a letter weighing 1¼ oz. to be sent by registered mail to Chicago; (*d*) a letter weighing less than half an ounce to be sent to London, England; (*e*) a letter weighing ¾ oz. to be sent to Paris; (*f*) newspaper weighing 3 ounces to be sent to Albany, N. Y.; (*g*) a catalogue weighing 8 ounces to be sent to Sheffield, England; (*h*) a package weighing 3 pounds to be insured and sent to Cleveland, Ohio; (*i*) five letters weighing 1½ ounce each, all sent to persons in the United States; (*j*) a letter weighing one ounce to go to Buenos Aires, South America; (*k*) a manuscript weighing 12 ounces to be sent to New York City.

5. (*a*) Fold a letter and place it in an addressed envelope. Weigh it and determine the postage required. (*b*) Fold a letter for a window envelope.

6. Bring a book, a newspaper, a catalogue or other article properly wrapped and addressed for mailing. Weigh it and determine the amount of postage required.

Chapter XXI

THE JUNIOR FILE CLERK

365. Opportunities for promotion. As outlined in Chapter VIII, filing included only those facts about the proper care of business papers which are common knowledge among business men and women. The tremendous centralization of modern business, with its consequent division into departments, has resulted in an enormous multiplication of papers. The necessity for frequent and sure reference to these records that are vital to the proper conduct of each department, requires the services of workers skilled in the art of filing. This is a comparatively new job. It may be learned by profiting by the instruction offered in the high school, the business school, the school of filing, the courses conducted by the manufacturers of filing equipment, or by accepting a position as junior file clerk and learning by doing the tasks assigned by the chief of that division. One is then in line for promotion to the position of chief file clerk. This position pays as well as that of stenographer, secretary, or bookkeeper. Should one become expert in the subject, and capable of designing and installing systems for others, he will receive a salary approximating those of other executives.

366. Importance of file clerk service. In business establishments of any size there are kept quantities of letters, invoices, contracts, canceled checks, bills of lading, books, pamphlets, catalogues, clippings, and other documents which should be properly filed so that the executive can refer to any desired letter or bit of information without confusion, waste of time, or loss of temper. The file clerk who is able to systematize his work so that he can find any asked-for letter or other business paper with no undue delay, is a valuable employee, performing a necessary service, and contributing to the success of the entire organization.

Fig. 130. A compact, well-lighted filing department. Note the sorting tub.

367. Qualifications of file clerks. More young women are engaged in this work than young men. In some railroad, insurance, and brokers' offices, however, many young men receive their introduction to business through the duties of the junior file clerk. Not everyone will do for the job. The junior file clerk must possess or acquire a plain, legible handwriting, a "head" for details, a good memory for names, self-control, speed, neatness, and accuracy. Above all, he must be loyal and reveal nothing of the mass of business matters which daily passes under his eye. The efficient file clerk is able to file neatly and correctly 275 to 300 letters an hour, and, at the same time, keep the equipment in order, up-to-date, and ready to produce any document at the request of any department of the business.

368. Duties of a file clerk. The tendency in modern offices is to have a central filing department under the care

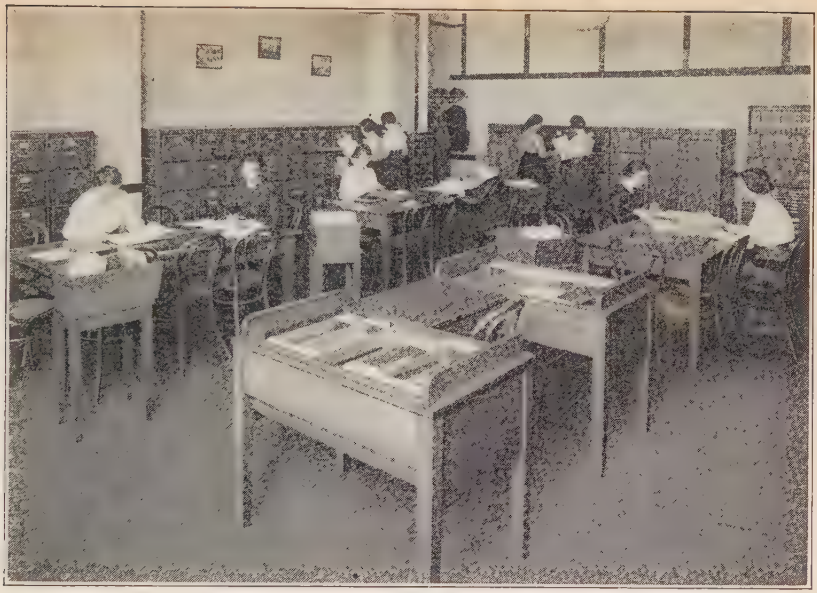


Fig. 131. Students at work in a school of filing.

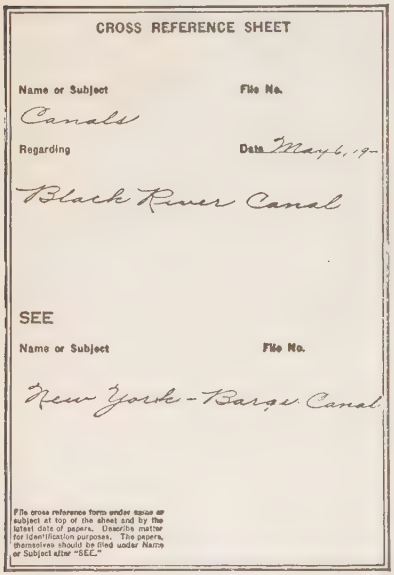
of clerks who devote their entire time to the work and soon become specialists. These office assistants must acquire a general knowledge of the theory of indexing and filing. They must know how and when to prepare the folders required for the vertical system (Sec. 113) which is in use in practically all offices; they must learn the organization of the business in which they are employed and the names and positions of the executives.

The junior file clerk's routine of duties, under a competent chief, trains her in approved methods of *coding, sorting, using cross-reference sheets, filing, out-charging, using follow-up devices,* and *transferring.*

369. Coding. Some one must decide whether a letter or other business paper is to be filed under the name of the sender, the state, the city, or the town whence it came, or the subject or subjects of its contents. This work requires experience, and is usually done by the chief of the department.

She scans the correspondence, determines where it belongs, and notes thereon instructions sufficient to enable her assistants to file it correctly. This is *coding*. In some offices coding is done by the executive who has given the paper his attention.

370. Sorting. After correspondence is coded it is sorted by a junior file clerk. For this purpose tubs (Fig. 130) are provided equipped with guides which are labeled according to the system in use, whether alphabetic (Sec. 119), numeric (Sec. 122), geographic (Sec. 123), or subject (Sec. 124). The junior file clerk places each business paper in the sorting tub behind the guide indicated by the code caption. Here it may remain for ready reference until the close of the business day, or it may be filed immediately.


CROSS REFERENCE SHEET

Name or Subject — File No.

Canals

Regarding — Date May 6, 19-

Black River Canal

SEE

Name or Subject — File No.

New York - Barge Canal

File cross reference form under name or subject at top of the sheet and by the latest date of papers. Describe matter for identification purposes. The papers, themselves should be filed under Name or Subject after "SEE."

Fig. 132. In which folder will this cross reference sheet be filed?

371. Cross-reference sheets. The junior file clerk, in the process of sorting, may happen upon a letter which her chief has coded under two different topics. In this case she fills in a cross-reference sheet. (Fig. 132.) This is a sheet of letter-size paper, generally of a contrasting color, which is placed in the correspondence folder with directions on it to refer to another folder in which the letter is filed.

To illustrate: A letter about the enlargement of the Black River Canal of New York State was received by the editorial department of a large publishing house. The executive who gave the letter his attention directed that it be filed behind the guide labeled "New York" and in the folder labeled "Barge Canal." He suggested that the cross-reference

sheet shown in Figure 132 be filled in. Where will this sheet be filed? How may it later prove helpful? If the numeric system had been in use, he would have directed that an index card be filled in with the cross-reference data. (Fig. 133.)

372. Filing. In addition to the filing suggestions in Chapter VIII, the following general rules should be observed: Handle the guides and folders from the side as much as possible in order to prevent wear on the tabs; remove the folder from the file before placing a paper in it; file all papers with the headings to the left and facing the front of the file; watch the miscellaneous folders and prepare individual folders as soon as needed; remove torn papers from the files and mend them with mending tissue; use paste or a stapling machine to fasten the carbon copy of the reply to each letter which has been answered; never allow filing material to accumulate; take pride in having the files always in good condition.

CANALS (General)	97
See also	
New York Barge	127
Panama	162
Soo	197
Welland	205

Fig. 133. A cross reference card in use with a numeric index.

373. Out-Guides. Executives constantly find it necessary to refer to papers which have been filed. In some offices, papers are removed from the drawers and no record is made. This is very unbusiness-like. The efficient file clerk will permit no record to go from her department until she sets down in writing the name of the correspondent whose folder is taken, by whom it is taken, and on what date. For this purpose out-guides are provided, the papers charged thereon, and the guide placed in the file at the place (Fig. 66) where the folder

is removed. When the folder is returned, the guide is removed and the out-charge canceled.

Manufacturers of filing equipment also make out-guides of heavy pressboard with a metal frame large enough to hold a three by five card. When an executive wishes to refer to a paper in the files, he writes on a requisition card the title of the folder wanted, his name, and the date. This is inserted in the metal slot of the out-guide, the folder removed, and the out-guide put in its place. When he returns the folder, the out-guide is removed and the card destroyed.

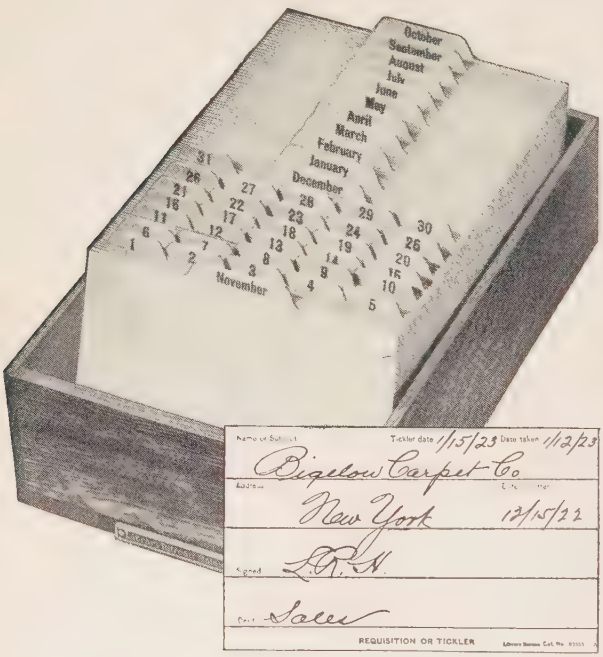


Fig. 134. A card tickler is not confined entirely to matter in the files, but may refer as well to a telephone call or to an appointment.

374. Follow-up. In every business, matters arise which require attention at some future time. It is decidedly unwise and unnecessary to depend on the memory to recall such transactions. Efficient follow-up schemes have been devised which systematically bring data to the attention of the executives concerned at the proper time. There are several good follow-up devices of which the *correspondence tickler* and the *card tickler* are probably most generally used.

375. Correspondence tickler. This consists of a vertical file drawer equipped with a set of monthly and daily guides with a folder for each guide. To illustrate its use: On April 25, a manufacturer of typewriters received an inquiry concerning his latest model typewriter. He dictated a reply, and directed his stenographer to make two carbons and label each, in colored pencil, 5/9. When the papers reached the filing department, the clerk placed the inquiry and the first carbon copy of the reply in the general file, and filed the second carbon in the folder under the guide tabbed "May" and back of the guide tabbed "9." On the opening of business, May 9, the file

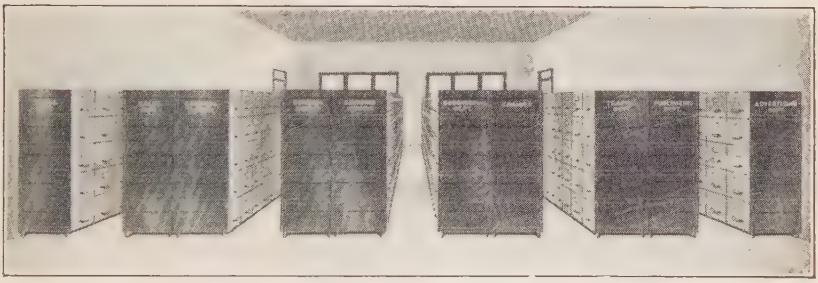


Fig. 135. A storage room and files for transferred papers.

clerk examined the tickler for that date, removed the correspondence, and distributed it to the departments concerned. Should the customer order a typewriter between the date of the reply and the date of the follow-up, reference to the general file will produce the first carbon which shows the date scheduled for follow-up. The second carbon is then removed from the correspondence tickler.

376. Card tickler. A card tickler is identical in operation and use with a correspondence tickler, except that the information concerning the correspondence desired, the follow-up date, and the signature and department of the executive interested in the transaction are entered on a three by five index card which is filed back of the scheduled date.

377. Transferring. No matter how large a battery of

filing cabinets may be, it will, after a time, become filled to capacity; or it will accumulate a mass of material which is not frequently consulted. Either of these situations calls for a definite plan of removing the papers from the active or current cabinets and placing them in receptacles for safe-keeping. This operation is called transferring.

A good practical plan, based on the retention of all correspondence for a period of three years with transfers at the close of each twelve months, operates as follows: Filing cabinets are provided sufficient to house all records for two years. In the two upper rows of drawers the records of the first year are filed; at the close of which they are removed to the lower two rows and their place gradually filled by the correspondence of the second year. When twenty-four months have come and gone, the contents of the lower drawers are placed in transfer cases (Fig. 135); that of the upper removed to the lower tiers, and space made available for the accumulating records of the third year.

QUESTIONS

1. What opportunities for promotion are offered in the position of junior file clerk? 2. Give the purpose of any filing system. 3. Which, in your judgment, is the most important quality a file clerk must possess? 4. Give some of the advantages of allowing one clerk to give her entire time to filing. 5. What is meant by coding? 6. Of what value is the cross-reference sheet? 7. Most employees are honest and try to do their work right. Why not let them help themselves to the contents of the file when they need business information? 8. Explain the sales value of an efficient follow-up system. 9. Distinguish between the correspondence tickler and the card tickler.

TOPICS FOR DISCUSSION AND INVESTIGATION

1. How may the junior file clerk attain sufficient knowledge and skill to qualify as a filing expert? 2. Find some facts about the Dewey Decimal Filing System; Library Bureau Automatic Index System. 3. Get the title, author's name, publisher, and date of publication of three books which treat of filing. 4. A knowledge of filing is just as essential for a commercial student as a knowledge of shorthand and typewriting, or of bookkeeping. Discuss this statement. 5. What is the value of metal indicators for use in connection with desk ticklers? 6. Discuss filing as a vocation under the following headings: (*a*) Personal qualifications. (*b*) Character of work. (*c*) Compensation.

PROBLEMS

1. Write each name and number in the following list on a separate 3 x 5 index card or on a slip of paper of similar size. Sort the slips for alphabetic filing.

1. John Babcock
2. Malcolm Davis & Son
3. James DeVine
4. Board of Health, Baltimore
5. B. & O. R. R.
6. Babcock Bros.
7. The Misses Biddle
8. George Burk
9. Caldwell & Smith
10. Kelley-Knott Drug Co.
11. Anna Kellerman
12. Malcolm, Brown & Co.
13. Dr. Babcock
14. Cat & Dog Hospital
15. Castor-Cottman Gardens
16. James H. Cassady
17. William Cavalier
18. Mrs. Edward Biddle
19. E. W. Kelly
20. Board of Ed., Camden, N. J.
21. Aetna Life Insurance Co.
22. Castle Kid Co.
23. Camden Iron Works
24. Bureau of Charities, Baltimore
25. Johnson Barrett
26. H. R. Bailey
27. A. W. Allen
28. John Bradley
29. Childs Dining Hall
30. Albert Collins
31. Samuel Byers
32. Mrs. Edward Burke
33. Aiken & Sutton
34. Children's Hospital
35. Board of Health, Delaware
36. Adam G. Anderson
37. Rev. William Bancroft
38. The Baptist Home
39. Barrett Johnson
40. American Chemical Society
41. John Binckley
42. Mrs. L. A. Blythe
43. Samuel Byers
44. Camden Steel Works
45. David Ganter
46. Dosant Motor Co., Camden, N. J.
47. Joseph W. Donnell
48. Davies Battery Co.
49. Crocker-Wheeler
50. Civil Service Comm., Boston
51. Duane Carroll & Henshaw
52. Eastern Storage Co.
53. Dixie Mfg. Co.
54. William de la Cova
55. John Aiman
56. G. G. Baily
57. Joseph D'Ambrosio
58. Barrett-Johnson Co.
59. John Cassel
60. Adam Cantor
61. J. Norwood Baker
62. Dosant Motor Co., Baltimore
63. A. H. Fox Gun Co.
64. L. H. Goldsboro
65. Edson & Co., Inc.
66. Emma S. Aikin
67. David Cassell
68. Dosant Motor Co., Detroit
69. E. York Street Garage
70. Arthur Allen
71. American Auto Service Co.
72. Barrett, Johnson & Co.
73. Beaver Coal Co.
74. Collings Carriage Co.
75. Adam, Anderson & Co.
76. Anna Crouse
77. David De Lellis
78. Mrs. J. Donnell
79. Dosant Motor Co., Camden, Ohio
80. Charles Goldsborough

2. Suppose you were provided with 40 guides each lettered with a division of the Index of 40 Alphabetic Divisions shown here.

INDEX OF 40 ALPHABETIC DIVISIONS

A	Go — Gy	Me — Mi	Se — Sm
Ba — Be	Ha	Mo — My	Sn — Ste
Bi — Bri	He — Hi	N	Sti — Sy
Bro — By	Ho — Hy	O	T
Ca — Cl	I	Pa — Pe	U
Co — Cy	J	Pf — Py	V
D	K	Q	Wa — We
E	La — Le	Ra — Ri	Wh — Wy
F	Li — Ly	Ro — Ry	Y inc. X
Ga — Gl	Ma — Mc	Sa — Sc	Z

Arrange each paper prepared for Problem 1 in the order that it would appear if it were filed behind its proper guide. Then record the identification number of each paper in the same manner that the identification numbers are recorded after the Guide Tab A on the following chart.

CHART FOR RECORDING WORK

GUIDE TAB	IDENTIFICATION NO.	GUIDE TAB	IDENTIFICATION NO.
A	75, 21, 33, 66, 55, 27 70, 71, 40, 36		
Ba — Be			
Bi — Bri			

3. Here is a list of customers. Write each name on an index card or slip of paper of similar size. Assign to each customer a code number (Sec. 122) beginning with 10.

American Ice Co., Reading, Pa.
Charles J. O'Neill, 214 Market Street, Philadelphia, Pa.
Photo-Color Corporation, Rochester, N. Y.
Racquet Club, Collingswood, N. J.
Richmond Canning Co., Richmond, Va.
Superior Knitting Mills, Allentown, Pa.
S. S. White Mfg. Co., Springfield, Mass.
Dr. Woodhouse, Ithaca, N. Y.
John A. Foody, Palmyra, Pa.
Quaker City Lace Co., Philadelphia, Pa.
Thirteen Club, Gettysburg, Pa.
James MacMillan, Oxford, Ohio.
John H. Smith, Kansas City, Mo.

Burroughs Adding Machine Co., New York, N. Y.
William McCann, Galveston, Texas.
Mrs. J. LeRoy Hurd, Portland, Maine.
William H. Taylor, Westminster, Md.
Victor Talking Machine Co., Camden, N. J.
St. James Hotel, Buffalo, N. Y.
Charles K. Lukens, Rockland, Ill.
Alfred Smoot, Tacoma, Wash.
Bornot Bros., Wilmington, Del.

Arrange the cards in alphabetic order for filing in a card index file of 40 alphabetic divisions. Record the order of the cards behind each guide on a chart similar to the one used in Problem 2.

4. Letters from the following customers were received today. Make out index cards for any new correspondents.

Thomas Scatterfield, West Chester, Pa.
William Sacks, Pres., Potomac College, Collegeville, Ohio.
S. S. White Mfg. Co., Springfield, Mass.
William Taylor, Oberlin, Ohio.
Allentown Silk Mills, Allentown, Pa.
Bornot Bros., Wilmington, Del.
United Refining Co., Jersey City, N. J.
John G. Martin, Pres., American Ice Co., Reading, Pa.
American Rubber Co., Akron, Ohio.
Burroughs Adding Machine Co., New York, N. Y.

Where would the new cards be placed in the card index file?

5. Make out cross-reference sheets, alphabetic system, for letters from the following persons. Where would these cross-reference sheets be placed in the file?

(*a*) William Sacks, President, Potomac College, Collegeville, Ohio. (File under Potomac College, cross reference under William Sacks.)
(*b*) L. C. Smith, Salesman, Victor Talking Machine Co., Camden, N. J.
(*c*) John Martin, President, American Ice Co., Reading, Pa.
(*d*) Walter Dorley, consulting engineer, American Bridge Co.
(*e*) John Harris, Sec'y, Y. M. C. A., Beloit, Wis.

6. Make out principal and cross-reference cards for the same letters for a numeric filing system.

7. Make a list of office devices advertised in the current magazines, with the names and addresses of the advertisers. List them on separate cards, classifying them according to the article advertised. File them according to subject, then geographically, and cross index those that could be filed under more than one heading.

Chapter XXII

THE CASHIER

378. Opportunities. There are few more responsible positions within the gift of any business than the systematic care of all money which is received. The employees concerned with these duties are very close to the executive. On them he has bestowed a peculiar trust. If they are loyal to him and to his interests, and show skill and aptitude, their worth will be recognized and places will be made for them higher up. The efficient junior cashier may become chief of his department, from which advancement may lead in three directions: through assistant to the treasurer, to treasurer of the business; through assistant to the credit manager, to credit manager; or through assistant in collections, to the collection manager. These executives are well paid. The experience and skill acquired in handling money may prove useful to the cashier who desires to make connections with banks, brokerage houses, or trust companies.

379. Qualifications. Probably the greater number of cashiers are girls and young women, but there are also openings in this service for young men. As many of these workers come into daily contact with the customers of the business, they must be careful about their personal appearance and must preserve a courteous manner even under the most trying circumstances. In addition, the position requires the ability to make small, legible figures, to write a plain hand, to perform quickly and accurately the four fundamental operations of arithmetic, to read hastily written sales slips, to detect errors in extensions, and to develop some skill in the recognition of counterfeit coins and notes. Above all, the work demands unswerving honesty which not only causes one to refrain from

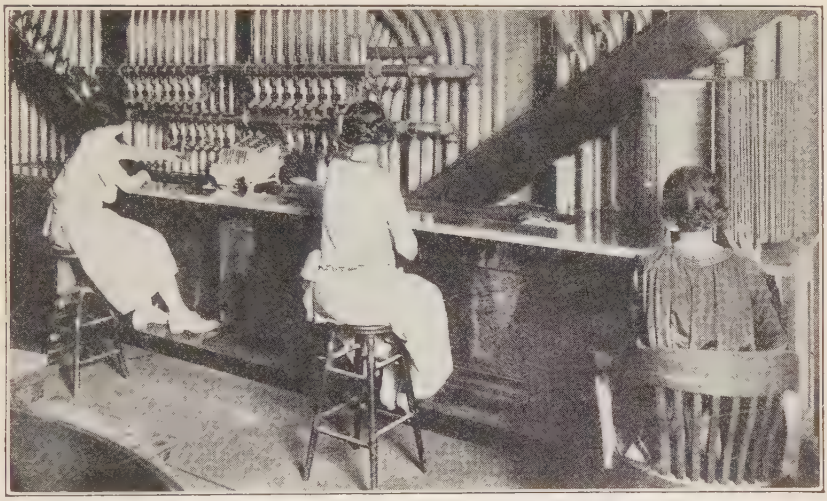


Fig. 136. Cashiers at work in a tube room. The young woman at the right of the picture is consulting a visible index.

actual theft, but also from "borrowing" small sums from the cash drawer until pay day, and an alertness to detect and, if possible, frustrate the dishonesty of business associates.

380. Duties. These vary with different business organizations and even among the cashiers of an individual business. There are cash-register cashiers (Fig. 137), and tube-room cashiers. (Fig. 136.) There are cashiers who receive money on account from customers, and cashiers who receive money on account through the mail. Finally, there are cashiers who handle the payments made by the business. Those duties which require special knowledge go to employees of long experience; those which require little skill, and are attended with less responsibility, fall to the junior assistants until they prove themselves worthy of greater trust.

The cashier's department checks cash-sales slips for extensions and totals; receives moneys for all goods sold; makes change; banks a portion of the funds on hand; replenishes the supply of change; records cash receipts; proves the cash at the close of each day's business; reports to the bookkeeper the

total cash received and the details of money received on account. Many cashiers are required to give bond for the honest performance of their duties. The cost of this bond is, in some instances, borne by the business, in others, by the employee.

Fig. 137. A cashier operating a multiple-drawer cash register.

381. Sales slips must be checked. The sales schedules in use by department and other large retail stores consist of a *shipping ticket* for use in case the merchandise is to be delivered, a *sales ticket* for the office records, and the *cashier's voucher*. When a cash sale is made, the salesman records the transaction in triplicate on a schedule, marks the voucher with the sum received, and sends the papers with the money to the cashier. All this may take only a few minutes, and be one of many similar transactions during the crowded business day. Mistakes will occur. They are, however, reduced to a minimum by the alert cashier who quickly checks each extension, verifies the total, retains her voucher for proving the cash at the close of the business day, stamps the sales slip, and returns it with the correct change to the salesman.

382. Cash registers. This well-known device, in use by practically all departments of modern business that are engaged in receiving money and making change, must be thoroughly understood by the cashier. Its mechanism is quite complicated, but its operation is very simple. A cash register consists of a drawer, or a bank of drawers, for the safekeeping of money; a device for printing a detail of each transaction in the order in which it occurs (Fig. 138), and for presenting a receipt; an adding mechanism which gives the total sales; a handle, or push key electrically driven, which opens the drawer, operates the machinery, and rings a bell. In multiple-drawer cash registers (Fig. 137) each clerk has her own drawer, and is held individually responsible for the total amount of her sales as recorded opposite her letter (Fig. 138) on the detail strip plus the amount of change she received to start the day's business.

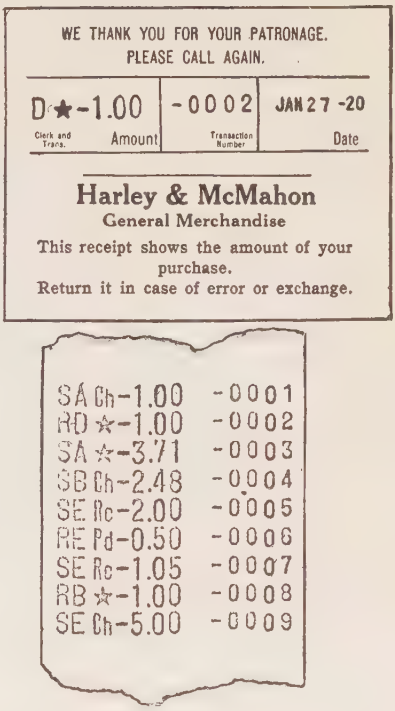


Fig. 138. Customer's receipt and detail strip from a cash register.

383. Receiving money. To the cashier, money means coins, bills, checks (personal, certified, or cashier's), postal money orders, express money orders, bank drafts, and traveler's checks. She must be familiar with the uses of these business papers, and must know when each may be accepted with safety. Fortunately, in the larger number of her transactions, coin, bills, or checks will be used.

When a coin or a bill is offered, she should be on the alert

Cash Received

DATE	L. P.	FROM WHOM	ADDRESS	AMOUNT	TOTAL
19- March 10		John Brandt	310 Pine Street	57 85	
10		Florence Hopkins	1426 Ash Street	35 72	
10		Cash Sales	for the day	197 26	
					290 83

Fig. 139. This cash record shows the money received on account as well as the money from cash sales.

for counterfeits, and should know how to recognize spurious money. When a check or draft is offered, she should refer the paper to a responsible officer of the business for his approval before she accepts it. After the cashier has accepted money from a customer, she should place each denomination in the compartment of the cash drawer reserved for it, the notes face up. (Fig. 140.) Many errors are thereby avoided.

384. Making change. No business dealing irritates a customer so much or puts the establishment in so bad a light as short changing, and no business dealing so deserves dismissal as repeated overcharging. The cashier is expected to make change accurately. Experience has proved that the method suggested by the following illustration is practical.

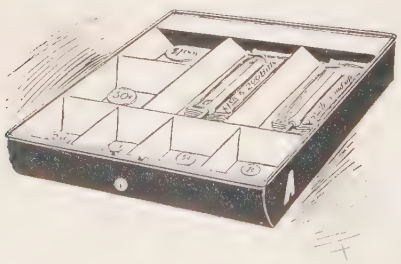


Fig. 140. When money is received each denomination should be placed in its proper compartment in the cash drawer.

A customer offers a five-dollar bill in payment for merchandise priced at $1.13. The cashier, as she takes the change from the drawer, repeats to herself, "A dollar thirteen and two cents are a dollar fifteen, and ten are a dollar twenty-five, and twenty-five are a dollar-fifty, and fifty are two dollars, three, four, and

Cash Received

DATE	L. P.	FROM WHOM	ACCOUNTS RECEIVABLE	CASH SALES DEPT. A	CASH SALES DEPT. B	CASH SALES DEPT. C	TOTAL
19–							
March 10		John Brandt	57 65				
10		Florence Hopkins	35 72				93 37
10		Cash Sales		39 54	84 72	73 00	197 26
							290 63

Fig. 141. In this cash record the cash receipts are analyzed by departments.

five." That is, she adds to the price of the goods purchased a sum that will equal the amount offered in payment. She also allows the five-dollar bill to lie on her desk in full view of the customer until the change is made.

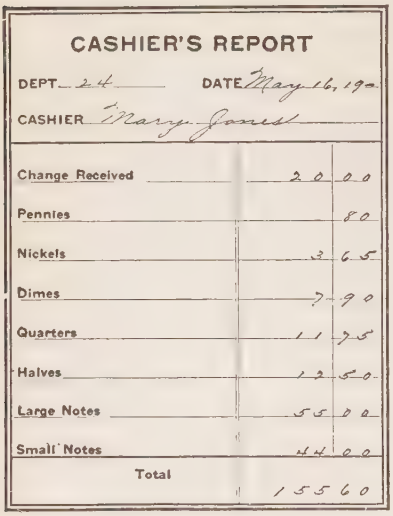
385. Banking receipts. The money which is received each business day should be deposited in the bank. The method is identical with that outlined in Sections 45–49. That is, the local checks are sorted according to the bank on which each is drawn; the out-of-town checks according to the city in which each bank is located, or they are sorted by index numbers. The one- and two-dollar bills are stacked face up, counted, marked with the total amount, and fastened by rubber bands. The large notes are similarly arranged. The coins are sorted into piles, and either inclosed in coin envelopes and stamped with the amount each contains, or rolled in plain paper or coin wrappers in amounts as follows:

20 half dollars.....10.00
20 quarters.....5.00
25 or 50 dimes.....2.50 or 5.00
20 nickels.....1.00
25 pennies..... .25

The funds are now in shape for recording on the deposit ticket.

386. An adequate supply of change. Unless otherwise requested by the customer, the accepted practice is to give change in as large denominations as possible. If this custom

is followed, the cashier will run short of change less frequently. She must, however, watch her supply on hand, and when she is at the bank making the regular deposit, she must replenish those denominations which are needed.



CASHIER'S REPORT

DEPT. 24 DATE May 16, 19—

CASHIER Mary Jones

Change Received	20	00
Pennies		80
Nickels	3	65
Dimes	7	90
Quarters	11	75
Halves	12	50
Large Notes	55	00
Small Notes	44	00
Total	155	60

Fig. 142. This report form is filled in by the cash-register cashier at the close of each day's business.

387. Recording sales and cash receipts. Some executives require that their cashiers shall keep a record of each sale. This is unnecessary if the schedules for each day are totaled, wrapped, dated, and filed, or if a cash register is used. A record of money received on account and total cash sales must, however, be kept. For this purpose a *Cash Received* book is provided, and entries are made in it in a manner similar to Figure 139. What payments on account were received on March 10? from whom? What were the cash sales? the total receipts? If the sales must be analyzed by departments, the cashbook form shown in Figure 141 should be used.

388. Proving the cash. At the close of each day's business the tube-room cashier totals her sales vouchers, adds to this total the amount of change received in the morning, and then counts the cash in the drawer. If the amount of cash in the cash drawer is the same as the sum of the total sales and the change received, her cash is said to prove. The cash-register cashier makes out a report similiar to the one in Figure 142 or 143 and takes it with the money from her cash drawer to the head cashier. The head cashier proves its correctness by comparing it with the total as shown in the cash register.

389. Daily reports. The cashier must forward to the bookkeeping department a detailed record of all money received on account, containing the date, the name of the customer, his address, and the amount, in order that each payment may be credited to the proper account. At the close of each day's business, she must give to the accounting department a statement of the total cash sales, the total payments made on account, and the total cash receipts.

CASHIER'S REPORT

Cashier Margaret Flavin

Date March 10 19—

Change received	20 00	
Sales	290 83	
Total		310 83

Approved William Johnson

Manager

Fig. 143. This form of cashier's report is used where the receipts are not analyzed by denominations.

390. Furnishing a bond. Business organizations, called *bonding companies*, issue a kind of insurance policy, called a *bond*, which guarantees to indemnify an employer for any loss, up to the sum named in the document, which he may suffer through the dishonesty of an employee. The fee for this service varies with the amount of the bond. The employee is said to be bonded. To require an employee to be bonded is no reflection on his honesty.

QUESTIONS

1. How may a cashier be loyal in thought? in word? in deed? 2. What duties are performed by the credit manager? the collection manager? 3. Which, in your judgment, is the most important quality a cashier can possess? 4. Comment on the following: "I lost my pocketbook, so I borrowed a dime for car fare from the cash drawer." "Post the letter when you get to the office. There are plenty of stamps in the cash drawer." 5. How would you, as a cashier, answer the following cheery greeting from a visitor: "You have a fine store here! How much cash business did you do last week?" 6. Do you consider

the duties assigned to the cashier more or less important than those of the messenger? the file clerk? Give reasons for answer. 7. How may the cashier check and supplement the work of the sales force? 8. List the advantages of the cash register over the old-style cash drawer. 9. A check is presented for the payment of merchandise by one customer; a postal money order by another; and a properly indorsed draft by a third. How should the cashier handle each transaction?

TOPICS FOR DISCUSSION AND INVESTIGATION

1. "The customer is always right." This famous slogan of Marshall Field has been the subject of much discussion. How is it to be interpreted? Suppose it expressed the policy of the house for which you were cashier, and a lady claimed that you had short changed her to the extent of $5.00. What would you do? 2. At the end of a day's sales a cashier was found to be short $1.00. This was deducted from her salary. Is this fair business dealing? 3. Name the coins minted by our government. 4. Distinguish among gold certificates, silver certificates, "greenbacks," Federal Reserve notes, national bank notes. 5. On what does the value of paper money depend? 6. How may a cashier be bonded? What fee is asked for a bond of $10,000?

PROBLEMS

1. Bertha Clark, Helen Hunt, and Ethel Jackson are cashiers in The Peoples Department Store. It is their duty to receive payment for all cash sales of merchandise. The sales clerks send them the sales slips and the money to pay the bills. The cashiers check the sales slips and make change. Twice a day they hand in reports similar to the one shown in Figure 143.

(*a*) On Monday, October 5, Bertha Clark received from the proprietor $20.00 in change. During the morning she received from the clerks in Department A the following sales slips for cash sales:

No. 215 A.....	$1.35	No. 225 A.....	$ 2.43
216 A.....	2.12	226 A.....	1.86
217 A.....	.84	227 A.....	4.17
218 A.....	.18	228 A.....	13.03
219 A.....	3.96	229 A.....	.63
220 A.....	2.72	230 A.....	1.29
221 A.....	.58	231 A.....	3.78
222 A.....	1.60	232 A.....	8.16
223 A.....	4.05	233 A.....	11.24
224 A.....	2.08	234 A.....	1.12

On a form like that in Figure 143 make up the report which Bertha Clark should hand in.

(*b*) Helen Hunt received $25.00 in change at the beginning of the day. She received during the morning from Department B the following sales slips for cash sales:

No. 146 B.....	$4.32	No. 153 B.....	$9.81
147 B.....	11.67	154 B.....	8.75
148 B.....	2.13	155 B.....	22.35
149 B.....	1.38	156 B.....	15.85
150 B.....	2.05	157 B.....	4.85
151 B.....	42.75	158 B.....	14.95
152 B.....	8.97	159 B.....	17.64

Make up the report Helen Hunt should hand in.

(*c*) Ethel Jackson received $50.00 in change at the beginning of the day. She received from Department C the following sales slips for cash sales.

No. 127 C....	$12.20	No. 135 C....	$27.50
128 C....	14.72	136 C....	13.65
129 C....	17.50	137 C....	41.25
130 C....	14.85	138 C....	7.84
131 C....	4.15	139 C....	25.32
132 C....	5.92	140 C....	12.30
133 C....	42.20	141 C....	9.36
134 C....	12.25		

Make up the report Ethel Jackson should hand in.

2. Mabel Brown is assistant cashier in another department. It is her duty to receive and record the cash received on account.

On October 5, The Peoples Department Store received by mail the following remittances on account:

(*a*) Check for $49.50 from Mrs. Ella Jones, Westville, N. J.
(*b*) Check for $125.60 from Walter Bartlett, Washington, D. C.
(*c*) Money order for $32.75 from Miss Mary Smith, Woodsville, Del.
(*d*) New York bank draft for $67.84 from Elmer Gilman, Rocksville, N. Y.
(*e*) Check for $75.50 from Richard White, Riverside, Pa.
(*f*) Check from John Smith, Clinton, Ohio, $24.72.
(*g*) Check from Anna L. Jones, Hanover, Pa., $18.37.
(*h*) Money order from Mrs. Grace White, Edgeville, Md., $7.96.
(*i*) Check for $117.23 from Albert West, your city.
(*j*) New York bank draft from Milton Johnson, Elton, N.Y., $57.89.

On a form similar to that in Figure 139 record the entries which Mabel Brown should make in her cash received book. Show how the cash received book should appear after the totals from the reports in Problem 1 have been entered.

3. Make the same entries using a cash received form like Figure 141.

Chapter XXIII

JUNIOR CLERK IN THE RECEIVING DEPARTMENT

391. The receiving department. A visit to a large retail store is a fascinating experience. What quantities and varieties of merchandise! What brilliant lights and wonderful decorations! What great crowds of shoppers! What splendid service facilities! But below stairs and out of sight and sound of the hurry and bustle of choosing and buying is a section, with its complement of workers, which contributes its share to satisfying the wants of the customers. Its job is to receive, unpack, and distribute to the stock rooms the useful articles and dainty goods which the store sells. This job may not be as interesting, perhaps, as buying or selling, but it is as vitally important to the success of the entire organization. In all types of business establishments, the duty of receiving incoming shipments of goods, whether for sale or manufacture, if handled efficiently, improves the service and shows in the profits.

392. The junior clerk. Many opportunities for employment in receiving departments are available to properly qualified applicants. The work is not technical, but requires those qualities of industry, speed, carefulness, accuracy, and judgment which efficient workers in every occupation possess. In some establishments, a good strong body is a decided help, for shipments must be moved about and heavy crates and boxes must be unpacked. As records of incoming goods must be kept, the junior receiving clerk must be able to write plainly and to figure rapidly.

393. Duties. The clerks in a receiving department must handle notices of arrival of merchandise by freight or steamer; examine the condition of incoming shipments; receipt for the

number of packages received; keep an incoming shipment record; unpack shipments; check the merchandise; report goods damaged, short, over, or otherwise irregular; notify the office or the proper department of all arrivals; care for merchandise pending removal to stock; trace packages unduly delayed in transit; audit bills for transportation; file necessary business records.

394. **Notice of arrival of goods.** As stated in Section

ARRIVAL NOTICE

The freight described below is ready for delivery on payment of charges in bankable funds, subject to demurrage or storage charges as per tariffs on file. Strangers must surrender Bill of Lading or be otherwise identified.

Phoenix STATION

To ATCHISON, TOPEKA & SANTA FE RAILWAY CO., Dr., FOR CHARGES ON ARTICLES TRANSPORTED,

FREIGHT BILL No. 96 April 3, 19--

CONSIGNEE AND ADDRESS		ROUTE (Point of origin to destination)	
W. A. Thomas & Co. Phoenix, Arizona		A.T.&S.F.	
Way-Billed From	Way-Bill Date and No.	Full Name of Shipper	Car Initials and No.
Berkeley, California	3/20/-- 1765	Pacific Iron Works	A-176599
Point and Date of Shipment	Connecting Line Reference	Previous Way-Bill Reference	Original Car Initials and No.
Berkeley, 3/19/--			

NUMBER OF PACKAGES, ARTICLES AND MARKS	WEIGHT	RATE	FREIGHT	ADVANCES	TOTAL
4 Kegs Bolts	800	38	3.04		3.04
TOTAL PREPAID $					

This notice must be returned with following Delivery Order filled out and signed by Consignee

Storage charges begin 7 A. M., 4/5/-- FREIGHT AGENT, Atchison, Topeka & Santa Fe Railway Company: Please deliver the above named freight to

Notice Mailed 8 A.M. 4/3 19-- who authorized to receipt for same in name

Fig. 144. This arrival notice is sent to the consignee when his shipment reaches the station of destination.

186, no collection or delivery service is maintained by the railroads for merchandise shipped by freight. Nor do steamship companies carry cargo beyond the port of entry. When a shipment arrives at the station or port of destination, an arrival notice (Fig. 144) is mailed to the consignee. On receipt of this notice the receiving department turns it over to the delivery system or to a "local express" with authority to sign for the packages, if in good condition, and to haul them to the place of business.

395. **Examine incoming shipments.** Transportation agen-

cies and freight handlers have a reputation for roughness and carelessness in the performance of their duties. Much of this, no doubt, is undeserved. But accidents do happen and some employees are indifferent and neglectful. Containers of merchandise sometimes are damaged in transit. When this occurs, the receiving clerk should receipt for the package "in damaged condition." This will facilitate the collection of a claim for damages.

396. Receipt for shipments. Whether shipments are delivered by insured parcel post, registered mail, express, or

Incoming Shipment Record

Keasbey Madison Sons & Co.

DATE	NUMBER AND KIND OF PACKAGES	WEIGHT	CHARGES		METHOD OF SHIPMENT	FROM WHOM	RECEIVED BY
			PREPAID	COLLECT			
July 2	2 bbls.	180	90		Freight	B. & P. Ry.	Travis

Fig. 145. A practical form on which to record incoming shipments.

by "local express" they will not be turned over to the receiving clerk until he signs a formal receipt. When so doing he is acting for the business, and it is bound by his signature as much as if he were the manager or owner.

397. Record incoming shipments. The methods of recording incoming shipments vary with different establishments. Some keep separate records for freight shipments, for express, for parcel post, and for local delivery. Others record all incoming shipments on one form. A good serviceable blank which contains columns for all necessary information, is shown in Figure 145. When was the shipment which is recorded on this blank received? What was its nature? How much did it weigh? Who paid the charge of ninety cents? What means of transportation was used? Who shipped the goods? signed for them?

398. Unpacking. Merchandise which demands care in transportation and unpacking should bear on the container the notation *Fragile.* Whether this marking does or does not appear on the package, breakage or any other damage due to unpacking is an evidence of inefficiency or carelessness and is inexcusable. When removing wrappings, place them in receptacles provided for the purpose and do not permit the floor to become littered with papers. Valuable articles have been lost in the sweepings.

399. Checking. This consists in comparing the quantity

DAMAGED GOODS AND OVER AND SHORT AMOUNTS

KEASBEY MADISON SONS & CO.

Name Keller & Bishop Seller's Order No. 16789

Address Buffalo, New York Purchases Order No. 4261

1	Casting # 176 J. Damaged
	Reported by L Kaas

Fig. 146. Irregularities in shipments should be reported to the purchasing agent on a form similar to this.

and quality of the merchandise received with that called for on the invoice or on a copy of the original purchase order.

400. Checking from the invoice. With the copy of the invoice or the sales schedule the receiving clerk can tell whether the shipment contains the proper articles in the proper quantities. But these records also show the cost price and terms of payment, which some business establishments do not care to have disclosed to their younger employees. The invoice, under these circumstances, is forwarded to the purchasing agent and a duplicate of the purchase order is used for checking.

401. Checking from a duplicate of the purchase order. The duplicate purchase order contains all the information

INDIVIDUAL INCOMING SHIPMENT RECORD

KEASBEY MADISON SONS & CO.

No. 186

Date July 3, 19—

Received from Keller & Bishop

Address Buffalo, New York Seller's Order No. 16789

Purchases Order No. 4261

QUANTITY	DESCRIPTION OF GOODS
3	# 126 J. Castings

Received by L Kaas

Fig. 147. The individual incoming shipment record is used to notify the buyer that his order has been delivered to the receiving room.

which the receiving clerk needs to check his incoming shipments, and in some business establishments it is sent to him by the purchasing agent as soon as the order is placed. He then knows what merchandise to expect, and about when to expect it. Should it not arrive on time he can notify the buyer.

402. Reporting irregular shipments. If goods are received in a damaged condition, are short, over, or of a different quality, style, or make from those ordered, the best business practice demands that a memorandum of the error shall be made on the invoice or duplicate purchase order, and a special report, similar to Figure 146, shall be prepared in duplicate. The original is sent to the buyer for the department and the copy is retained for the receiving department's file.

Goods which are found to be damaged or of a different quality from that ordered, are set aside or sent to the *return purchases* room to await the decision of the buyer as to their

disposal. If this merchandise is to be returned, it is immediately sent with full directions to the shipping department.

403. Notify office or department of arrival of incoming shipments. The invoice, or the duplicate purchase order, after the shipment has been checked, may be sent to the main office or to the buyer of the department as notice of the arrival of the goods. Many establishments, however, provide the receiving department with a memorandum containing a list of the merchandise ordered, from whom, and when it may be expected, but omitting the quantity and the price. When the shipment is received, the clerk fills in triplicate an *Individual Incoming Shipment Record.* (Fig. 147.) He sends the original to the office, the first copy to the stock room, and retains the second copy for his files. The office checks the original shipment record against the invoice and the original purchase order for errors in the filling of the order or in the report of the shipping clerk.

404. Care of merchandise pending removal to stock. Incoming shipments should be sent to stock as soon as possible after unpacking. The receiving department should be provided with receptacles, shelves, or tables for this merchandise where it will be out of the way and protected from damage or deterioration pending its removal to the stock room.

405. Tracing shipments. If shipments are not received within a reasonable time after the order is placed, the merchant or manufacturer from whom the merchandise was ordered should be notified. If the order has been shipped, the seller will send a "tracer" after the goods. That is, he will furnish the freight or express agent with a description of the goods and the date and place of shipment, and will request him to locate the shipment.

406. Auditing monthly bills for transportation. Individuals and small business houses pay freight and express charges when each shipment is received. Larger establishments, however, pay monthly on presentation of a statement for transportation services. The efficiently organized receiv-

ing department can verify the accuracy of these statements from the Incoming Shipment Record. (Fig. 145.)

407. Filing records. Duplicate receipts for incoming merchandise, shipment records, copies of duplicate purchase orders, reports of goods damaged or otherwise irregular, memoranda to departments of arrival of orders, and any other special form that is peculiar to the business, must always be available for ready reference. They may be turned over to the filing department. But, as the receiving room in most large factories and stores is several floors distant from the general offices, a temporary filing system is usually installed for the safe-keeping of the records.

QUESTIONS

1. What is a receiving department? 2. The efficiently managed receiving department shows in the profits. Explain. 3. Tell how each of the personal qualities listed in Section 392 is valuable to the receiving clerk. 4. A dozen duties of the receiving clerk are given in Section 393. Can you repeat them in proper order? Which is the most important? 5. What is a "local express"? What service does it render? 6. Distinguish between merchandise and raw materials. 7. A case of shoes is received with a portion of the lid pried off. What should the receiving clerk do? 8. Of what value is the incoming shipment record in verifying the monthly freight and express bills? Of what value is it as a record of the receipt of goods? 9. A bale containing a mattress is received with no notation as to its contents. Because of its bulk, the clerk grasps it with a grappling hook. When opened the ticking is torn. Who is at fault? 10. How is the use of an incoming shipment record a check against carelessness? 11. How would you check a freight bill?

TOPICS FOR DISCUSSION AND INVESTIGATION

1. Make a report on how freight and express packages are received at a large railroad station; merchandise at a large store; raw materials at a large mill. 2. "The tin foil about these articles is of no use in our business. I will take it," said a receiving clerk. Discuss his action. "I need a few of these nails to fasten a floor board at home," remarked another clerk. May he take them? 3. If you were chief of a receiving section what would you do to make sure that none of the duties listed in Section 393 was overlooked? 4. Discuss the junior position in a receiving department under the following headings: (*a*) Duties. (*b*) Educational requirements. (*c*) Character of the work. (*d*) Opportunities

for promotion. 5. "There were thirteen jackknives in that box instead of a dozen," said a junior receiving clerk. "I will take the extra one." Discuss his action from the point of view of the boy; the business; society in general.

PROBLEMS

1. On a form similar to Figure 145 record the following incoming shipments:

May 1. Received from Walter Scott and Company, Cleveland, O., by freight, two boxes, weight, 600 lb., charges, $3.60.

May 2. Received from the John Harkins Company, Chicago, Ill., by express, one crate, weight, 100 lb., charges, $1.20.

May 3. Received from H. L. Davis & Company, Harrisburg, Pa., by parcel post, one package, postage, $0.65.

May 4. Received from Davis & Company, Pittsburgh, Pa., by freight, three boxes, weight, 750 lb., charges, $4.50.

May 5. Received from Mason & Brown, Detroit, Mich., by express, three crates, weight, 150 lb., charges, $1.80.

May 6. Received from J. F. Kerr Company, Cincinnati, O., by parcel post, one package, postage and insurance, $0.85.

May 8. Received from Jones and Baker, your city, one box, no delivery charges.

May 9. Received from Cunningham, Brown and Company, Boston, Mass., by freight, one box and one crate, weight, 225 lb., charges, $1.35.

May 10. Received from J. Barton & Son, Columbus, O., by express, one box, weight, 175 lb., charges prepaid, $2.15.

May 11. Received from Walter T. Thompson, your city, local delivery, three crates, no delivery charges.

May 12. Received from H. F. Wilson Company, Louisville, Ky., by freight, three boxes, weight, 450 lb., charges, $2.70.

May 13. Received from E. H. Hill & Company, Denver, Colo., by parcel post, one package, postage, $2.25.

May 15. Received from Wilson Bros., Erie, Pa., by freight, two boxes and one crate, weight, 350 lb., charges, $2.10.

May 16. Received from C. J. Bowman & Company, Canton, O., by parcel post, one package, postage and insurance charges, $1.75.

May 17. Received from Louis McKnight & Son, Detroit, Mich., by express, four crates, weight, 300 lb., prepaid charges, $3.48.

May 18. Received from L. M. Hazen & Company, your city, two boxes, local delivery, no delivery charges.

May 19. Received from Williams and Company, Buffalo, N. Y., by express, one box and two crates, weight, 310 lb., charges, $3.72.

May 20. Received from Simmons and Company, St. Louis, Mo., by parcel post, one box, postage charges, $1.12.

May 22. Received from John Jackson & Son, Wheeling, W. Va., by freight, four boxes, weight, 500 lb., charges, $3.00.

May 26. Received from Thomas Fletcher and Bro., Chicago, Ill., by parcel post, one package, postage and insurance charges, $1.85.

May 30. Received from John Duncan & Bro., your city, two boxes, weight, 220 lb., no delivery charges.

May 31. Received from Myers and Myers, Baltimore, Md., by freight, one box and two crates, weight, 175 lb., charges, $1.25.

2. The following charges appear upon the Trannsylvania Railroad's monthly statement for incoming freight shipments. Verify the amounts from your incoming shipment record.

May 1.	Cleveland	$3.60
4.	Pittsburgh	4.50
9.	Boston	1.35
12.	Louisville	2.70
15.	Erie	2.10
22.	Wheeling	3.00
31.	Baltimore	1.25

3. The following charges appear upon the American Express Company's monthly statement for incoming express shipments. Check against your incoming shipment record.

May 2.	Chicago	$1.20
5.	Detroit	1.80
19.	Buffalo	3.72

4. Verify the following charges on parcel-post shipments from the incoming shipment record.

May 3.	H. L. Davis & Co.	$0.65
6.	J. F. Kerr Co.	.85
13.	E. H. Hill & Co.	2.25
16.	C. J. Bowman & Co.	1.75
20.	Simmons & Co.	1.12
26.	Thomas Fletcher & Bro.	1.85

5. Prepare a report of damaged goods and over and short amounts for the following:

(*a*) May 1. Incoming shipment from Walter Scott and Company, Cleveland, O., short two dozen Boys' Hose, Lot No. 117.

(*b*) May 9. Incoming shipment from Cunningham, Brown and Company, Boston, Mass. Damaged and of inferior quality, one dozen Men's Kid Gloves, Lot No. 418.

(*c*) May 15. Incoming shipment from Wilson Bros., Erie, Pa., over, one-half dozen Ladies' Fancy Collars, Lot No. 613.

6. Acting as receiving clerk, record the following incoming shipments on an incoming shipment record.

June 1. Received from H. Z. Hobson & Sons, Cincinnati, O., by freight, three boxes, weight, 600 lb., charges, $5.25.

June 2. Received from Brown & Hazen, St. Louis, Mo., by express, two crates, weight, 150 lb., charges, $1.80.

June 3. Received from Monroe and Harper, Pittsburgh, Pa., by parcel post, one package, postage, $0.95.

June 4. Received from the Dresden China Company, Sebring, O., by freight, three casks, weight, 850 lb., charges, $5.80.

June 5. Received from Wilson Company, Toledo, O., by express, three boxes, weight, 175 lb., charges, $1.95.

June 6. Received from C. J. Hill & Company, Canton, O., by parcel post, one package, postage and insurance, $0.78.

June 9. Received from Montgomery, James, and Walton, Springfield, Mass., by freight, two crates and one box, weight, 340 lb., charges, $1.85.

June 11. Received from Knight and Simpson, your city, local delivery, three boxes, weight, 235 lb.

June 12. Received from Charles Smith & Son, Nashville, Tenn., by freight, four boxes, weight, 535 lb., charges, $4.11.

June 13. Received from Homer Moore and Son, Salt Lake City, Utah, by express, one barrel, charges, $4.35.

June 15. Received from Day & Day, Rochester, N. Y., by freight, three boxes, weight, 430 lb., charges, $3.85.

June 16. Received from Myers and Kirkbride, Cleveland, O., by parcel post, one package, postage and insurance charges, $1.10.

June 17. Received from Rose Bros., Akron, O., by express, four boxes, weight, 310 lb., prepaid charges, $4.13.

June 18. Received from Johnson & Dodds, your city, by local delivery, two boxes, weight, 445 lb., no delivery charges.

June 19. Received from Farbush and Kurz, Providence, R. I., by express, two crates, weight, 285 lb., charges, $3.48.

June 20. Received from Jackson and Gray, Louisville, Ky., by parcel post, one package, postage charges, $1.18.

June 23. Received from William Walls & Bro., Kent, O. by freight, five boxes, weight, 485 lb., charges, $4.25.

June 28. Received from George Brown, Inc., your city, two crates, weight, 188 lb., no delivery charges.

7. Acting as the receiving clerk, make up the following statements:

(*a*) A statement of freight charges giving the date, shipping point, and charges.

(*b*) A statement of express charges giving the date, shipping point, and charges.

(*c*) A statement of parcel-post charges giving the date, sender's name, and the amount of postage.

8. Prepare a report of damaged goods and over and short amounts for the following:

(*a*) June 4. Incoming shipment from the Dresden China Company, Sebring, O., short, one dozen seven-inch plates, style 348.

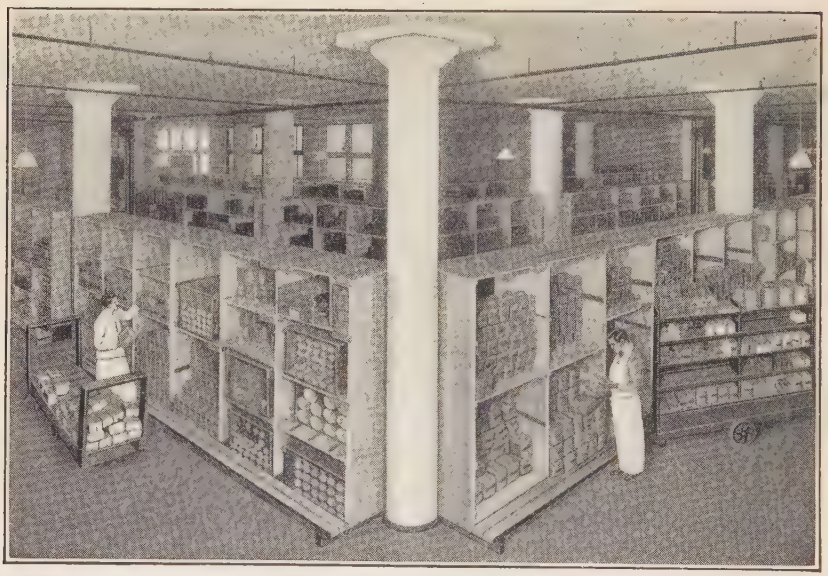
(*b*) June 13. Incoming shipment from Homer Moore and Son, Salt Lake City, Utah., broken, two dozen five-inch plates, style 330.

Chapter XXIV

THE STOCK CLERK

408. From pantry shelf to warehouse. There is quite a difference between mother's pantry shelf and the huge warehouses which are found in our great centers of population. Both serve the same useful purposes. Mother retains in her larder canned fruits and vegetables, preserves, jams, condiments, and staple groceries, in packages, pending their need for the table. She knows the value of having "things on hand for unexpected guests." A big factory or store keeps in its storeroom or warehouse quantities of its stock in trade pending removal and placement in show rooms, on counters, or shelves. All set aside places for storing needful things. Mother has her pantry or her linen closet; the corner grocer, his back room or cellar; the school, its supply closet; the big department store, stock rooms on floors above the merchandising sections, or in a separate warehouse. These pantries, storage closets, storerooms, stock rooms, or warehouses, must be more than places for storing. The success of any business depends largely on the safe and orderly keeping of its stock in trade so that any article may be had easily and quickly, the quantity remaining immediately recorded, and the buyers notified when replacements are needed.

409. Opportunities and qualifications. Turn to Figures 109 and 110 and examine the promotional opportunities for junior assistants in the stock room. What lines of advancement are open to junior workers in the large retail store? in the manufacturing establishment? What positions will each stock boy or girl fill as he climbs the occupational ladder of either organization? The qualifications which the stock clerk must have include industry, speed in



Courtesy Sears, Roebuck & Co.

Fig. 148. Filling grocery orders from a stock room.

bodily movement, judgment in sizing up situations, alertness in finding work to do or new ways of doing it, neatness, orderliness, ability to write and figure, and average strength and good health. Above all he must be accurate and honest. With these qualities the stock clerk will perform his duties satisfactorily and advance to positions of greater trust. Without them, he will be dismissed.

410. Duties of stock clerk. The stock clerk is required to keep the stock room in order; to inspect and check merchandise incoming from the receiving department or returned to stock; to mark or tag each article or package; to store the goods systematically; to prepare shelf tags or bin tickets; to keep a stock record; to fill requisitions; to notify buyers or department heads when the supply of any article of stock is low; to take inventories. The stock clerk must also know the location and work of the different departments of the business, and must acquire a knowledge of the merchandise which daily passes under his hand.

Fig. 149. Store room for stationery, printed matter, and supplies.

411. Care of the stock room. Order is the first law in every department of every efficiently conducted business. Consequently the stock clerk must provide a place for every article of stock and keep everything in its place, with a tidy floor and no litter. Closets, bins, racks, or shelves, arranged in sections, and marked or tagged for identification are useful to hold the merchandise. The stock room must be made reasonably safe from fire hazards, changing climatic conditions, and theft.

412. Checking merchandise incoming from the receiving department. When merchandise which has been unpacked, inspected, and counted by the receiving department reaches the stock room, it must again be checked against the invoice, duplicate purchase order, or incoming shipment record, and damaged goods, shorts, overs, or other irregularities must be reported to the buyer who gave the order or to the manager of the department. In this way the stock clerk protects himself against irregularities in shipments which otherwise would be charged against his department. If the receiving

department is a section of the stock room, as in some organizations, the re-checking of incoming shipments is unnecessary.

413. Checking merchandise returned to stock. The stock clerk must also exercise care in accepting merchandise returned to stock from the sales departments. He may not assume that these articles are intact and undamaged. He should insist that a memorandum accompany the goods, and that the merchandise conform in every detail to the "Return to stock" order.

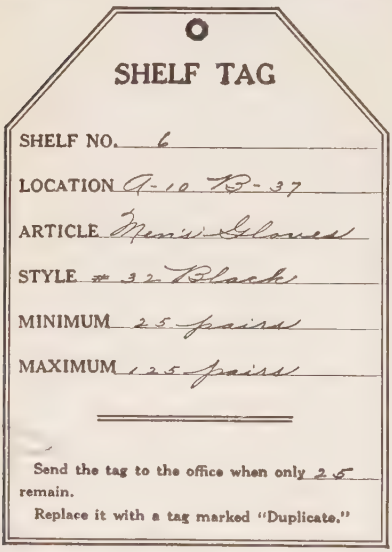

SHELF TAG
SHELF NO. 6
LOCATION A-10 B-37
ARTICLE Men's Gloves
STYLE # 32 Black
MINIMUM 25 pairs
MAXIMUM 125 pairs
Send the tag to the office when only 25 remain.
Replace it with a tag marked "Duplicate."

Fig. 150. A shelf tag or bin ticket.

414. Marking or tagging. In some retail shops, merchandise is displayed with no identification marks except the manufacturer's label. The better business practice, however, is to mark each article with the price and the merchant's name, and, where necessary, with the size, style, lot number, and any other distinctive feature. If price and name only are needed, stickers are used, and the work of placement is done by junior stock clerks called *markers*. If additional information is necessary, tags are attached to each article.

415. Storing goods. Each kind of goods presents its own storage problems. A few general rules, however, can be given. The first rule demands that a definite place shall be set aside for each class of stock; the second, that it shall always be stored in its place, labels or numbers outward, and new shipments back of or beneath the old; the third, that stock shall be moved to the sales or shipping departments in the order in which it was received. Some establishments date mark

incoming shipments by use of a secret key in order to check the stock clerk who would fill requisitions with new merchandise when that of an older date is on his shelves.

416. Shelf tags or bin tickets. In order to identify merchandise on racks or shelves, or in bins or closets, shelf tags or bin tickets are used. These are filled in by the stock clerk, and fastened to the container in front of the goods. Figure 150 is a shelf tag. Name the goods. Where may they be found? What is the lot number? style? What must the stock clerk do when but twenty-five pairs of gloves remain?

STOCK RECORD

Article Gloves, Men's Symbol YZ
Lot No. 32 Aisle No. 10
Style Black Bin No. 37
Balance on hand must be shown at time each entry is made. Post only after actual receipt or delivery.
Maximum 125 prs.
Minimum 25 prs.

DATE	QUANTITY RECEIVED	DATE	QUANTITY ISSUED	QUANTITY ON HAND
		2/1		75
		2/2	25	50
		2/17	30	20
2/27	100			120
		3/5	25	95
		*	Verified	95*
		3/25	30	65

Fig. 151. The stock record card is verified from time to time by an actual count of the merchandise.

417. Stock record. This is one of the important records of any business. As the cash-book (Sec. 76) shows the receipts and payments of money and the balance on hand, so the stock record cards show the goods received and issued and the balance in the stock room. They contain much more detailed information than the shelf tags or bin tickets. Figure 151 is a stock record form. Name the article recorded on it. Give its lot number; color; location in stock. How many pairs may be on hand at any time? How many pairs must be kept in stock? How many were in stock on March 5? What transaction took place on February 2? February 27? How was each recorded? A stock

No. 128 **STOCK REQUISITION BLANK**

Stockkeeper Date Feb. 12, 19--

Deliver the following articles to Glove Department

For Order No.

QUANTITY	DESCRIPTION
30	Pairs Men's Gloves, Lot #32, Color Black

Approved Calvin Jackson Signed Agnes Turrill

Fig. 152. The stock requisition is the stockkeeper's receipt for merchandise which leaves his department.

record card is filled in and kept posted to date for each article or commodity the business uses or sells. It may, of course, be fastened to the container. The better practice, however, is to use shelf tags or bin tickets as suggested in Section 416, and to file the stock records.

418. Fill requisitions. The efficient stockkeeper will not permit merchandise to go from his department without a written order properly filled in and signed by a responsible employee. This order is called a *requisition*. (Fig. 152.)

A large mail order house describes the filling of requisitions as follows: "Throughout the building there are rows of shelves and bins filled ceiling high with merchandise in packages, according to the way it is quoted in the catalogue; tickets take the place of customers, and silently and rapidly the clerks are filling the orders. The order simply reads so much of this and so much of that; the stock is all ready and the clerks do the rest, filling scores of orders at one trip through the department. These are conveyed to a gravity chute through which they are quickly dispatched to the Shipping Department on a lower floor." After the order has been filled, the stock clerks in some organizations post from the requisition to the proper stock record the quantity issued, compute the

NOTICE

Date February 17, 19—

To the buyer or Head of Gloves Department.

The following shows the condition of our stock record for Mens

Gloves, Lot # 32, Color Black.
ARTICLE

amount on hand 20 pairs

maximum 125 pairs minimum 25 pairs

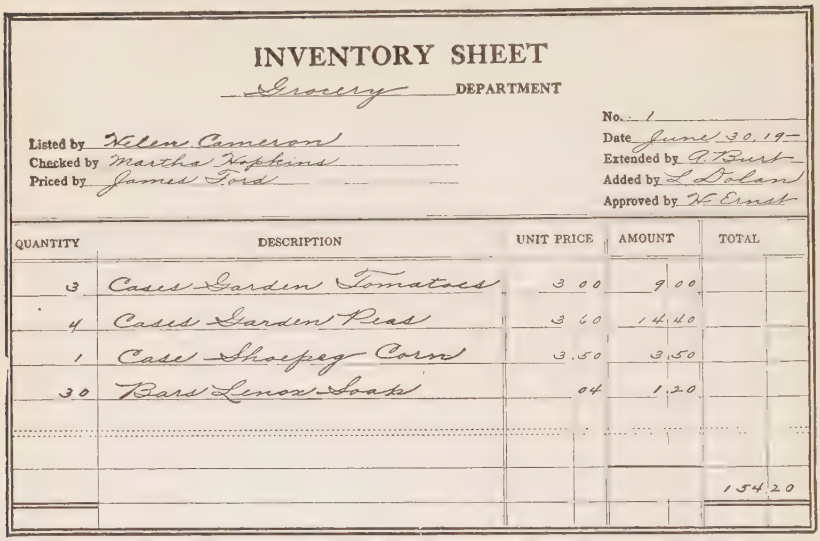
Signed John Krieger
STOCK CLERK

Fig. 153. Notice to buyer or department head of the quantity of stock on hand.

balance on hand (Fig. 151), and file the requisition for possible future reference.

419. Notify buyers or department heads when stock is low. It is the job of the buyer or purchasing agent to know how large a quantity of a particular brand of merchandise he may carry with profit, and how much he must carry to fill his orders. Consequently, he must furnish the stockkeeper with figures showing the maximum quantity which may be on hand and the minimum which must be on hand at all times. Both amounts are entered on the stock record card (Fig. 151), and on the shelf tag or bin ticket. (Fig. 150.) When the stock of any article falls below the minimum, the careful stock clerk will immediately notify the buyer or purchasing agent on a form similar to Figure 153. This places the responsibility for replenishing the supply of merchandise on the buyer.

420. Take inventories. Once or twice each year, business establishments take account of stock. This is a busy time. Every employee is pressed into service. Some are counting the merchandise and entering the name and quantity of each article on inventory sheets. Others are transferring to the



INVENTORY SHEET

Grocery DEPARTMENT

No. 1

Listed by Helen Cameron
Checked by Martha Hopkins
Priced by James Ford

Date June 30, 19—
Extended by G. Burt
Added by L. Dolan
Approved by W. Ernst

QUANTITY	DESCRIPTION	UNIT PRICE	AMOUNT	TOTAL
3	Cases Garden Tomatoes	3.00	9.00	
4	Cases Garden Peas	3.60	14.40	
1	Case Shoepeg Corn	3.50	3.50	
30	Bars Lenox Soap	.04	1.20	
				154.20

Fig. 154. Inventory sheets are used to record the amount of stock on hand.

inventory sheets the cost price of each unit. Here a group are figuring extensions. There a group are "grinding out" seemingly endless totals on a battery of adding machines. The executives are anxious and wish to see the job finished. For this is the periodic *physical inventory* which will be used in determining whether the business has made or lost money.

If the manager wishes to know the stock on hand of any article at any other time than the regular stock-taking, he may get this information from the stock record cards. They are a *perpetual inventory*. They must, however, be checked at regular intervals by a physical inventory.

421. Knowledge of the business and knowledge of the goods. Every junior employee should learn as much as he possibly can about the business in which he works. This knowledge can be acquired by observation of the working of each department, by reading and study, and by a strict attention to every detail of one's duties. All this will add interest to his work, make him a more efficient employee, and pave the way for his speedy advancement.

QUESTIONS

1. The efficiently kept store room *files* its merchandise. Explain. 2. Give an illustration of each of the personal qualities listed in Section 409. 3. Of the duties listed in Section 410 which, in your judgment, would be assigned to the junior stock clerk? 4. How does a systematically arranged stock room speed up the filling of orders? How does it add to the profits? Does the stock clerk share in these added profits? 5. Is it safe for the stock clerk to accept the receiving clerk's count on goods turned over to stock? 6. Merchandise is returned to stock without a memorandum. What should the stock clerk do? 7. Discuss the advertising value of plain marking or tagging; the sales value. 8. "Keep old goods moving." Explain this statement. Think of at least three exceptions to this rule. 9. Give two uses of bin tickets; stock-record cards. 10. Distinguish between a perpetual and a physical inventory.

TOPICS FOR DISCUSSION AND INVESTIGATION

1. The class in *Junior Training for Modern Business* can put their knowledge of the stock clerk's duties to practical use by planning the arrangement of the stock rooms in the school. 2. The stock clerk must work indoors. How may he keep his body healthy under these conditions? 3. How may the intensive study of the geography of raw materials, of commerce, and of industry be of value to the stock clerk? 4. "Sorry, but we are just out of that particular brand," said a merchant to a customer. In what three ways did his business lose by being out of stock? Is "out of stock" ever excusable? 5. Write a short article in which you discuss the qualifications for and duties of a stock clerk. 6. Merchants boast that they have but one price, the same to all, and plainly marked on the goods. Why should this be a matter of pride? Was any other custom ever in vogue?

PROBLEMS

1. Prepare stock record cards for the following articles. If printed forms are not available, rule blanks similar to Figure 151.

(*a*) Maximum and minimum quantities supplied by the buyer:

	Maximum	Minimum
Belts	100 doz.	25 doz.
Boys' Hose	200 "	50 "
Handkerchiefs	250 "	50 "
Ladies' Fancy Collars	75 "	10 "
Ladies' Kid Gloves	100 "	25 "
Men's Collars	300 "	75 "
Men's Kid Gloves	75 "	25 "

(*b*) March 1. Balance on hand as shown by the stock record files.

Belts	35 doz.	Boys' Hose	100 doz.
Handkerchiefs	175 "	Ladies' Fancy Collars	22 "
Ladies' Kid Gloves	53 "	Men's Collars	198 "
Men's Kid Gloves	56 "		

Enter the balance in the "Quantities on Hand" column under date of March 1 on the stock record cards.

(*c*) March 2. Requisitions. Enter each item in the "Quantity Issued" column and extend the new balance in the "Quantity on Hand" column.

Belts	5 doz.
Boys' Hose	25 "
Handkerchiefs	30 "

(*d*) March 5. Requisition.

Ladies' Fancy Collars	5 doz.
Ladies' Kid Gloves	10 "
Men's Collars	25 "

(*e*) March 9. Requisition.

Men's Kid Gloves	12 doz.
Handkerchiefs	35 "
Belts	1 "

(*f*) March 14. Requisition.

Men's Collars	20 doz.
Men's Kid Gloves	12 "
Ladies' Kid Gloves	3 "

(*g*) March 20. Requisition.

Boys' Hose	15 doz.
Handkerchiefs	25 "
Men's Collars	25 "

(*h*) March 26. Requisition.

Men's Kid Gloves	2 doz.
Ladies' Kid Gloves	5 "
Handkerchiefs	25 "

(*i*) March 29. Requisition.

Ladies' Kid Gloves	4 doz.
Men's Collars	40 "
Men's Kid Gloves	3 "

(*j*) March 31. Requisition.

Belts	5 doz.
Boys' Hose	15 "
Handkerchiefs	35 "
Ladies' Fancy Collars	5 "

2. Examine the stock record cards to see whether the quantity on

hand has fallen below the minimum amount allowed by the buyer of the furnishing department. If so, prepare notices like Figure 153.

3. Prepare an inventory from the balances shown on the stock record cards. List the items as shown in Figure 154.

The following prices were supplied by the buyer:

Belts	$4.50 doz.
Boys' Hose	1.25 "
Handkerchiefs	1.25 "
Ladies' Fancy Collars	2.50 "
Ladies' Kid Gloves	13.50 "
Men's Collars	1.45 "
Men's Kid Gloves	18.00 "

Fill in the unit prices on the inventory sheet, compute the extensions, and total the amounts.

4. Continue the transactions begun in March.

(*a*) April 2. Requisition.

Handkerchiefs	25 doz.
Men's Collars	10 "
Boys' Hose	25 "

(*b*) April 6. Order received and goods inspected and checked. Record in "Quantity Received" column and extend the new balance.

Belts	75 doz.
Boys' Hose	150 "
Handkerchiefs	225 "

(*c*) April 9. Requisition.

Ladies' Fancy Collars	5 doz.
Ladies' Kid Gloves	10 "
Belts	10 "

(*d*) April 9. Report to buyer.

(*e*) April 13. Requisition.

Boys' Hose	25 doz.
Handkerchiefs	25 "
Men's Gloves	10 "

(*f*) April 13. Report to buyer.

(*g*) April 21. Order and goods received.

Ladies' Fancy Collars	60 doz.
Ladies' Kid Gloves	75 "

(*h*) April 26. Requisition.

Belts	20 doz.
Boys' Hose	40 "

5. Prepare an inventory from the balances shown on the stock record cards, fill in the unit prices using the same prices that were supplied for Problem 3, compute the extensions, and total the amounts.

Chapter XXV

THE ORDER CLERK

422. Classification of orders. Orders may be classified as purchase orders and sales orders. Orders which are issued by the business for stock, equipment, or supplies are known as purchase orders. Orders which are received from customers are known as sales orders. A purchase order issued by one business becomes the sales order of another business.

423. The order clerk. The purchase of materials, equipment, and supplies, in a large business organization, is under the direct supervision of the purchasing department. The sale of the finished products, or stock in trade, is under the direct supervision of the sales department. The preparation and recording of orders issued by the purchasing department and the recording of orders received by the sales department require the services of a number of order clerks.

424. Duties of order clerk in the purchasing department. The order clerks in the purchasing department receive requisitions, tabulate price quotations, file catalogues, issue purchase orders, distribute duplicate purchase orders to the departments concerned, and keep a purchase order register.

425. Purchase requisitions. Written requests for materials, equipment, or supplies which are needed by the various departments of a business are called *purchase requisitions*. They are usually written in duplicate on blanks provided for the purpose and are signed by the responsible executive of the department concerned. The duplicate is retained for the departmental file and the original is sent to the purchasing agent. Purchase requisitions may come from the stock clerk for supplies; from the factory superintendent, production manager, or foreman for materials; from the office manager

Req. No.	Deliver to	Date
65	Dept 8	Aug. 10, 19—

Quantity	Description
1500	3 C. P. S. Bars
385	B. B. Sm. Coils

Order from	Purchase Order
American Steel Co.	No. 49

For	Acct. No.	Wanted by what date
	19	Sept. 1, 19—

Required by	Approved
E. C. K.	McKay

Fig. 155. A purchase requisition.

for equipment; from the department heads for merchandise. The requisition is the purchasing agent's authority to buy what is needed. It contains a full description of the goods to be ordered. The order clerk receives all requisitions, presents them to his chief, and files them after the orders are issued. Figure 155 is a purchase requisition. Explain each entry on it.

426. Tabulate price quotations. After requisitions have been received, bids or price quotations must be secured in order that

Article				No. or Size		File No.		
Paper, Carbon Ruled				8½ x 11		128		
Date	Firm's Name	Quantity	Unit	Price	Terms	F. O. B.	Remarks	
19—								
Aug. 5	Centaur Ink Co.	25 Boxes	Box	.85	2/10	Boston	Ellis Ave	
" 6	Kenton Mfg. Co.	" "	"	.83	2/10	"	" "	
" 6	J. L. Kimmel	" "	"	.86	Net	"	" "	

Fig. 156. A card-index record of price quotations.

Name American Glue Co.		No. 83
Address Boston, Mass.		
Articles	Spec. Cat.	Page
Sandpaper	D. L.	
Glue	"	

Fig. 157. A catalogue index by the name of the vendor.

the goods may be purchased at the lowest price consistent with quality and prompt delivery. For this purpose a complete card index record should be kept, which should give price quotations, terms, and net cost delivered from a number of manufacturers or dealers for each article which the business may need. If these cards are accurately compiled and kept up to date by the junior assistants in the purchasing department and are filed alphabetically by subject, the purchasing agent, when a requisition is received, can immediately refer to the proper card or cards, and decide from whom to purchase the goods. Some buyers, however, prefer to ask for a special price quotation on each order. Figure 156 is a quotation record. Which manufacturer listed offers the best terms?

427. Catalogue filing. In order to file catalogues systematically a vertical file and two sets of card indexes with alphabetic guides are needed. The procedure of filing is as follows: Assign a number to each concern from which the business purchases; print or paste this number on the upper right corner of the front cover of the catalogue; on a 3 x 5 card, index each cata-

Article Sandpaper		
Firm	Address	Cat. No.
American Glue Co.	Boston, Mass.	83
Armour Sandpaper Works	Lansing, Mich.	665
Austin & Eddy	Jefferson City, Mo.	17
Minnesota Mfg. Co.	St. Paul, Minn.	92

Fig. 158. A catalogue index by the name of the article.

logue by the name of the vendor and his file number. Below the name enter all items carried by that establishment

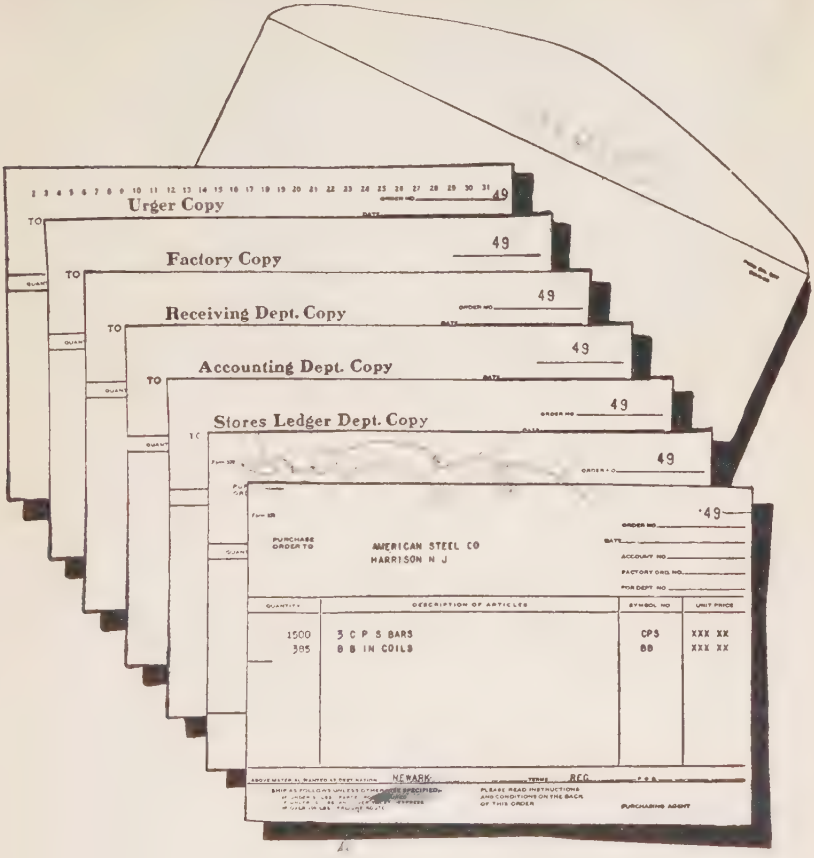


Fig. 159. A purchase order and six duplicates.

in which the purchasing department is interested (Fig. 157); compile a second index by the name of each article (Fig. 158); below the name enter all business houses which sell that particular article, together with the catalogue file number of each house; file the first set of index cards alphabetically by the name of the vendors; file the second set of index cards by the name of the article; file the catalogues numerically. This

Fig. 160. Young women at work copying orders on billing machines.

system of catalogue filing and indexing facilitates the finding of price quotations.

428. Purchase orders. After the purchasing agent has determined from whom he will buy the goods, the purchase order must be written. Figure 159 shows an original order and six duplicates. Carbon paper was placed between the order blanks and the seven copies were made at one writing on a bill-

PURCHASE ORDER REGISTER

Month of August, 19—

DATE	PURCHASE ORDER NO.	NAME OF VENDOR	MDSE. REC'D.
Aug. 11	49	American Steel Co.	
12	50	Key Lox Manufacturing Co.	Aug. 17
13	51	American Glass Co.	

Fig. 161. Purchase orders should be entered on a purchase order register, and when the goods are received, the date of their arrival should be recorded.

ing machine. As the manufacturer or dealer will ship exactly what is asked for, the purchase order must be complete, legible, and accurate in every detail.

429. Distributing purchase orders. At least four copies of each purchase order should be made. The original is mailed to the manufacturer or dealer. The first copy is forwarded to the receiving clerk as a notification of the goods to be received. The second copy is filed by order number, and the third is

THE NATIONAL RETAIL STORES CO.
Allegheny Avenue and 19th Street
DETROIT, MICH.

Date Sold: [illegible]
No. 27933
Salesman R. Smith
Binder Folio
Date Billed
Terms: 30/10
Sold to L. Harbinger
Town and State 2318 Eighth Ave., Detroit, Mich.
Ship by Truck
Ledger Folio

Quantity	Grade	Description	List Price	Salesmen must not use these columns
5/6	A	F.L. Combination 36/44	16 50	
1/2	B	Extra Heavy Shirt 36/42	6 87½	
1		Pajamas 36/44	7 25	
3/4		Slipon Sweaters 38/40	8 62½	

Fig. 162. One of a pad of order blanks which the National Retail Stores Co. supplies for the use of its salesmen.

filed alphabetically by the vendor's name in the *unfilled order file* until the goods are received, and then in the *filled order file*.

430. Purchase order register. In addition to filing purchase orders under the name of the manufacturer or dealer, many buyers keep a purchase order register. This is a form ruled in a manner similar to Figure 161. When a purchase order is issued, the date of the order, its number, and the name of the vendor are entered on the purchase order register, and when the goods are received, the date of their arrival is shown.

431. Duties of the order clerks in the sales department. The order clerks in the sales department receive sales orders,

COMMISSION COPY
No. U-B 50348
SALESMAN'S COPY
No. U-B 50348
POSTING COPY
No. U-B 50348
No. U-B 50348
No. U-B 50348
No. U-B 50348
SALES BOOK COPY
No. U-B 50348
No. U-B 50348
REGISTER NO.
Producers & Distributors of
Mens Underwear & Sweaters.
DEC 10 19 U 1203
Sold to
L HARBINGER 27933
2318 8TH AVE
CITY
Shipped Via
Order No 27933
Salesman SMITH
130 5/6 GRADE A F L COMBINATION 38/44 16 50 13 75
76N 1/2 GRADE B EXTRA HEAVY SHIRT 38/42 6 87 1/2 3 44
15K 1 PAJAMAS 36/44 7 25 7 25
15 KX 1/4 SLIPON SWEATERS 38 & 40 8 62 1/2 2 16 26 60

Fig. 163. A customer's bill and seven duplicates.

prepare copies for the departments concerned, keep a sales order register, and file the departmental records.

432. Receive sales orders. To promote efficiency and to insure against the omission of important instructions, business establishments provide their salesmen with standard order blanks similar to Figure 162. If the business has a large mail order trade, these standard order forms are placed within the catalogue. When the salesman or the customer has filled in each blank on the order form, he has given sufficient information to enable the seller to assemble and ship the goods. Orders are also received by telephone, by telegraph, and by letter.

433. Copy sales orders. After an order is received it must be approved by the credit manager or by some one in authority, for merchandise cannot be allowed to go out on account to buyers whose credit standing is unsatisfactory. When the order is approved, copies are made by the order clerk. The number of copies varies with the demands of the particular business. Several shipments may have to be made before an entire order is filled, or an article may be out of stock, or the business may have stopped carrying the article. In all such instances the bill should contain only a

SALES ORDER REGISTER

Month of December 19—

DATE	SALES ORDER NO.	NAME OF CUSTOMER	AMOUNT
Dec. 10	2	L. Harbinger	26 60
10	3	John R. Scott	92 26
10	4	William S. Evans	62 52

Fig. 164. Some establishments keep a sales order register in addition to the sales binders which contain the duplicate bills.

record of the goods which have been shipped. A letter should be sent to the customer explaining why the items have been omitted from the order and when they will be shipped.

434. Sales order register. In addition to the original and duplicate copies of the sales order, some sales departments keep a sales order register in a manner similar to Figure 164.

435. File records. Two copies of all sales orders are placed in the unfilled order file until the goods have been shipped. Then they are removed to the filled order cabinet, and one copy is filed numerically under the order number, and the other copy is filed alphabetically under the customer's name.

QUESTIONS

1. What are the duties of a purchasing department? 2. Why are these duties usually performed by the manager or proprietor of a small

business? 3. Has the sales department any other function than the selling of goods? 4. How may the efficiently managed purchasing department assist the sales department? 5. What opportunities for advancement are open to the junior order clerk in the purchasing department? in the sales department? 6. Should purchase requisitions be in writing? Explain. 7. What should a purchase requisition contain? 8. How does a "Quotation Received" file aid the purchasing agent? 9. "John, the filing department needs a new transfer case. Let me have whatever catalogues you can find," said a purchasing agent to his order clerk. How may John meet the request? 10. Give the advantages of a standard sales order form for the use of salesmen and mail order customers. 11. Distinguish between a purchase order and a sales order. 12. What advantage is a sales order register?

TOPICS FOR DISCUSSION AND INVESTIGATION

1. Investigate and make a report on the purchasing department or the sales department of a business establishment near your home. 2. Discuss the junior position in a purchasing department under the following headings: (*a*) Duties; (*b*) Educational requirements; (*c*) Character of work; (*d*) Opportunities for promotion. 3. The shop foreman calls the purchasing department and requests one hundred gallons of white paint. How should this request be handled? 4. The stock clerk requisitions ten bottles of blue ink. No quotation received card is on file. What must the purchasing agent do? 5. "Send me a dozen pairs of stockings," wrote a customer to a mail order house. Criticize this order from the point of view of the customer; the merchant.

PROBLEMS

1. Prepare two sets of index cards for the following catalogues—one by the name of the seller, the other by the name of the article:

Henry Disston and Sons, Inc., Philadelphia, catalogue No. 98, saws, hatchets, and hammers.

Simmons Manufacturing Company, Trenton, N. J., catalogue No. 345, ladders.

Felton, Sibley and Company, Inc., Pittsburgh, Pa., catalogue No. 375, paints.

Diamond Paper Company, Chicago, Ill., catalogue No. 396, paper.

Philips Pressed Steel Pulley Works, St. Louis, Mo., catalogue No. 441, pulleys.

American Manufacturing Company, Boston, Mass., catalogue No. 550, paint.

Midwest Manufacturing Company, Louisville, Ky., catalogue No. 671, saws, hatchets, and hammers.

Buckeye Ladder Corporation, Columbus, Ohio, catalogue No. 692, ladders.

2. Prepare quotation records (Fig. 156) for the following, using the current date:

Hand saws, 26 inch, file No. 141:

Henry Disston and Sons, Inc., two dozen at $2.60 each. Terms 2/10, f. o. b. Philadelphia.

Midwest Manufacturing Company, two dozen at $2.65 each. Terms 2/30, f. o. b. Louisville, Ky.

Extension ladder, 36 foot, two 18-foot sections. File No. 78:

Simmons Manufacturing Company, one-half dozen at $11.75 each. Terms 3/30, f. o. b. Trenton, N. J.

Buckeye Ladder Corporation, one-half dozen at $12.05 each. Terms 3/60, f. o. b. Columbus, Ohio.

Paint, outside white. File No. 135:

Felton, Sibley and Company, one hundred one-gallon cans at $2.25 a gallon. Terms 2/30, f. o. b. Pittsburgh, Pa.

American Manufacturing Company, one hundred one-gallon cans at $2.20 a gallon. Terms, 2/60, f. o. b. Boston, Mass.

3. Acting as a clerk in the purchasing department of Smith and Jones, 1761 River Street, Cincinnati, O., prepare purchase orders for the following requisitions. For prices and terms refer to the quotation records in Problem 2. Enter the first purchase orders in a purchase order register (Fig. 161) beginning with number 1701, and number all succeeding purchase orders consecutively.

Requisition No. 1674. Date, July 3, 19—. Two dozen hand saws, 26 inch. Department W. T. Needed at once. Order the saws from Henry Disston and Sons.

Requisition No. 1675. Date, July 5, 19—. One-half dozen extension ladders 36-foot, two 18-foot sections. Department H. Wanted July 24. Order the ladders from Buckeye Ladder Corporation.

Requisition 1676. Date, July 6, 19—. One hundred one-gallon cans paint, outside white. Department H. Wanted July 22. Order the paint from Felton, Sibley and Company.

Requisition 1677. Date, July 17, 19—. One-half dozen hand saws, 26 inch. Department W. T. Needed July 30. Order the saws from Midwest Manufacturing Company.

Requisition 1678. July 19, 19—. One-sixth dozen extension ladders, 36-foot, two 18-foot sections. Department H. Wanted at once. Order the ladders from Simmons Manufacturing Company.

Requisition 1679. July 22, 19—. Fifty one-gallon cans paint, outside white. Department H. Wanted August 5.

Chapter XXVI

THE BILLING CLERK

436. The billing clerk. As the elevator stopped and the visitor and his guide alighted, the steady clicking of many typewriters reached their ears. They entered a bright, cheery room which occupied half of the top floor of one of the largest mercantile establishments of its kind in the world. It was that section of the bookkeeping department charged with the care of accounts with customers. Directly in their path was a battery of billing machines each with its operator. "These girls are billing clerks," remarked the guide. "It is not uncommon, especially during the Christmas shopping season, for us to conclude 50,000 transactions on account in a business day. Each sale is recorded on a sales schedule, and a copy is sent to the billing department. The junior billing clerks enter the sales from the schedules to the monthly bills and extend the daily totals. Should merchandise be returned, they record the credit in red."

437. Opportunities for the billing clerk. "If a billing clerk shows ability, she is far too valuable to keep at billing," continued the guide. "We need her higher up in the bookkeeping, credit, collection, correspondence, or adjustment departments, where positions of responsibility and good pay await the loyal and efficient worker."

438. Qualifications of a billing clerk. Billing clerks must be skilled in the operation of the typewriter or the billing machine. They must have or acquire a sense of neatness and orderliness in the arrangement of their work, an ability to read hastily written sales schedules, an alertness to detect errors, and be quick at figures. Of course, if bills are copied by hand, as is the custom in some business offices, the bill clerk must be a neat penman.

Fig. 165. Young women at work copying bills on billing machines.

439. Duties of a billing clerk. It must not be supposed that the duties of billing clerks in mercantile establishments as described in Section 436 are identical with those of all other business organizations. If one, however, were to examine the duties of the billing clerks in a number of business establishments, he would find that these employees must write bills; compute extensions; verify and check every item on the sales slip and the bill; route the original and carbon copies to the departments charged with the handling of each.

440. Writing the bills. This may be done by hand, on the typewriter, or with a billing machine.

441. Writing bills by hand. The custom of writing bills by hand is no longer practiced except in some small establishments and in those which prefer the script form for its advertising value. If a billing clerk can write the date, name, address, quantity, description, terms of payment, and shipping directions on a bill in a bold, plain, legible hand, without error,

omissions, or unsightly blots or erasures, she is a valuable employee to any business. A neatly written bill does more than merely tell the customer how much he owes. It conveys an impression of orderliness, accuracy, and careful attention to each business detail. It creates a feeling of trust. The greatest single factor in its success is good penmanship. This is not a gift but an attainment which anyone who starts early enough in life and takes extreme care in every word he writes can acquire. The business value of good penmanship cannot be overemphasized. Examine the illustrations in this book which are written in script. Note that the size of the handwriting accommodates itself to the available space.

442. Writing bills on the typewriter. Probably no single office device is so helpful in so many ways as the typewriter. The practical knowledge of its operation should be a part of the equipment of every business man and woman. Few attainments will better repay the effort than the mastery of the typewriter. Especially is this true with the billing clerk. It enables her to turn out work more quickly and with greater ease. It provides a more legible copy than script. It will make as many carbon duplicates as are ordinarily required in business at the same time that the original is written. Learn to operate the typewriter.

443. Writing bills on a billing machine. A billing machine is a typewriter equipped with an adding mechanism and totalizer. There are as many styles as there are manufacturers of the equipment. All are complicated in their construction but comparatively simple in operation. They are more practical for billing than the standard typewriter, for as the figures are typed, the registers carry their total, which is then copied at the foot of the bill.

444. Terms of credit. The manner in which payment for merchandise must be made and the method of expressing the agreement vary with different business establishments, and with different purchases from the same establishment. The billing clerk must be familiar with the following terms of credit:

"Cash." This means that the total sum of the bill must be paid as soon as the merchandise is received. In actual practice *"cash"* usually means from two to five days in order to give the buyer an opportunity to inspect the goods.

"On account." This means that payment must be made in accordance with the customary terms in that particular line of business.

"Cash less 5%." This means that 5 per cent may be deducted from the face of the bill if paid from two to five days after the receipt of the merchandise.

"5/10, n/30." This is translated, "five per cent ten days, net 30 days," and means that 5 per cent may be deducted if settled within 10 days after date, but that payment may be delayed 30 days provided that the total amount of the bill is remitted.

TERMS: NET 60 DAYS OR 2% DISCOUNT IN TEN DAYS

The National Furniture Mfg. Co.

BINGHAMTON, N. Y. 7/7/—

Furniture Sales Corporation,
Charleston, South Carolina.

WE CHARGE YOUR ACCOUNT AS FOLLOWS

2	#1801 Beds	29.67	$59	34		
2	#1824 Chiffoniers	26.50	53	00		
12	#1810 Chairs	8.50	102	00		
6	#1812 Dressing Tables	30.50	183	00		
9	#1821 Stools	8.34	75	06		
2	#1815 Stands	6.25	12	50		
6	#1826 Beds	37.75	226	50		
1	#1803 Dresser		39	75		
9	#1820 Rockers	15.25	137	25		
					888	40

Fig. 166. A bill which was written on a typewriter.

"S D/B L." This is translated, "sight draft, bill of lading." It means that the goods must be paid for, before the order bill of lading will be delivered to the customer. (Sec. 472.)

445. Abbreviations used in business. The billing clerk must become familiar with the common abbreviations, contractions, signs, terms, and symbols used in business. These are given in Appendix B (p. 337.)

446. Compute extensions. During a house furnishing sale a housewife purchased twenty-four cakes of toilet soap. When the bill was rendered, the purchase appeared as follows:

MARCH 5 24 CAKES T SOAP 05 | 1 20 ||

What does the "05" represent? the "1 20"? The latter figure is known as an "extension," and the amount of the purchase is said to be "extended" to the dollars and cents column. When all extensions on a bill have been figured, their grand total is shown at the foot of the column. Computing extensions and totalizing are duties of the billing clerk, and absolute accuracy and speed at figuring are needed. If one is able to operate an adding or calculating machine, many errors may be avoided in extending and verifying the bills, and the work may be done more rapidly.

In some large offices one clerk computes extensions on the sales order, a second clerk copies the bill on a typewriter or billing machine, and a third clerk verifies the work of the other two.

447. Verify and check all bills. Few dealings irritate the customers of any business and adversely affect future sales so much as repeated errors on the bills and statements. These records must be accurate in every detail. Each billing clerk must concentrate on the job in hand when making entries, computing extensions, and totalizing, and she must verify and check her work against the sales schedules or the customer's order.

448. Routing the bills. After a bill is properly made out, the original is sent to the mail clerk, and a duplicate to the bookkeeping department. In some business organizations, a second copy is sent to the sales department so that the date

and amount of the shipment may be entered on the customer's record card, and a third to the salesman as a reminder that his order has been shipped.

QUESTIONS

1. Name the duties of billing clerks. 2. Have they opportunities for advancement to higher positions? Name some of these opportunities. 3. Give a practical illustration of each of the qualifications for billing clerks as listed in Section 438. 4. If you were head billing clerk would you have your assistants verify the bills they wrote? 5. Which of the three methods of billing listed in Section 440 is most practical? requires least skill? is least expensive? 6. Why is writing bills by hand no longer a common practice? 7. What items should a bill contain? Which of these may be omitted? 8. "A bill is a representative of its house and will create either a favorable or an unfavorable impression." Explain. 9. Can poorly made bills lose business? How? 10. What are the advantages of the billing machine over the typewriter? 11. What is an "extension"?

TOPICS FOR DISCUSSION AND INVESTIGATION

1. Compare the junior employment opportunities discussed in Chapters XIX to XXVI under the following topics:

Name of Occupation	Qualifications Demanded	Duties	Opportunities for Advancement
Messenger			
Mail Clerk			
File Clerk			
Cashier			
Receiving Clerk			
Stock Clerk			
Order Clerk			
Billing Clerk			

2. Find out whether the large store or factory nearest your school conducts visitors through its plant. If it does, join such a party and note particularly the work of the billing section. 3. Discover what training a billing clerk must have to secure a position, what advancement she may expect, and how much salary she may earn. 4. Discuss the junior position in a billing department under the following headings: (*a*) Duties; (*b*) Educational requirements; (*c*) Character of work;

(*d*) Opportunities for promotion. 5. Explain the following: (See Appendix B.)

(*a*) C.O.D.	(*g*) frt.	(*l*) W/B.
(*b*) c/o	(*h*) No.	(*m*) C. C. C. & St. L.
(*c*) #	(*i*) N. B.	(*n*) L. S. & M. C.
(*d*) l²	(*j*) O. K.	(*o*) G. N.
(*e*) E. & O. E.	(*k*) via	(*p*) P. R. R.
(*f*) f. o. b.		

6. What is the difference among the following systems of billing: Retail Bill and Charge System; the Unit Billing System; and the Condensed Charging System?

PROBLEMS

1. Prepare bills for the following orders. Duplicate copies may be made by inserting carbon paper between two billheads. Use a sharp pointed pencil when carbon copies are prepared by hand. Use the current date. Be sure to check and verify each bill with the order.

(*a*) Order from J. H. Gibson & Son, 546 Fifth Avenue, Pittsburgh, Pa. Terms Net. Ship by American Express.

12 prs. Shoes, Brown Vici 3016 R.... at $8.25
12 " Shoes, Black Colt 142 M..... " 9.75

(*b*) Order from Lloyd & Jones, 1728 Adams Street, Chicago, Ill. Terms 2/10, N/30. Ship by Express.

48 lbs. Japan Tea..... at 52¢
63 " Java Coffee..... " 34¢
65 " Young Hyson Tea..... " 68¢

(*c*) Order from the Omaha Furniture Company, 142 Wilson Street, Omaha, Nebr. Terms 5/10, 3/30, N/60. Ship by C. C. C. & St. L.

5 #148 Library Tables..... at $19.50
10 #72 M. Parlor Tables..... " 17.45
12 #411 M. Hall Stands..... " 12.35

(*d*) Order from W. E. Myers, 1010 Euclid Avenue, Cleveland, Ohio. Terms Cash. Ship by parcel post.

2 gr. Steel Pens No. 76..... at 75¢
1 doz. Pencils, Stenographer..... " 80¢

(*e*) Order from Columbus Clothing Company, 1718 Hill Street, Columbus, Ohio. Terms S D/B L. Ship by C. C. C. & St. L.

4 doz. #8942 Shirts..... at $42.00
3 " #3240 Suits..... " 18.50
10 #2717 Suits..... " 16.50
4 #4172 Overcoats..... " 17.50
15 #4311 Overcoats..... " 22.75

2. Prepare bills for the following orders. Supply the name of the customer and his address, the date, the terms of the bill, the method of shipment.

(*a*)	100	bu. Barley	at	$1.20
	10	" Clover Seed	"	15.40
	1000	" Corn	"	1.62
	50	bbl. Flour	"	12.05
	150	bu. Oats	"	.78
	25	" Rye	"	1.34
	15	" Timothy Seed	"	8.05
	75	" Wheat	"	1.05
(*b*)	10	Axminster rugs, 6 x 9	"	12.50
	24	yds. Ingrain Carpet	"	.87½
	50	" Tapestry Brussels	"	1.02
	150	" Velvet Carpet	"	1.33⅓
	60	" Body Brussels Carpet	"	1.66⅔
	225	" Axminster Carpet	"	1.80
	66	" Willow Carpet	"	4.50
	84	" Lining	"	.16⅔
(*c*)	200	lbs. Japan Tea	"	.52
	99	" Mocha Coffee	"	.33⅓
	72	" English Breakfast Tea	"	.66⅔
	150	" Rio Coffee	"	.22½
	50	" Java Coffee	"	.34
	180	" Ceylon Tea	"	.75
	140	" Young Hyson Tea	"	.52
	250	" Maracaibo Coffee	"	.28

Chapter XXVII

THE SHIPPING CLERK

449. Modern business and the shipping clerk. The city of Troy, New York, manufactures about ninety per cent of all the men's collars and cuffs that are worn in the United States. So it is with most present-day communities. Each produces a surplus of certain commodities which it sells in exchange for things which it needs but does not have. Ships ply the seas, lakes, rivers, and canals with the commerce of the world. Railroads handle huge quantities of freight. More than a million and a half motor trucks in our country are busy at the job of fetching and carrying. In fact, the modern world is held together by transportation and made one by trade. But of the millions and millions of sales which are made every business day, not one is concluded until the customer receives the goods and is satisfied. If the goods are delayed or damaged in transit the sales effort goes for nought, the business loses money and possibly a customer, and all industry is affected. How necessary, therefore, are those workers in every business establishment who are charged with the packing, addressing, and routing of outgoing shipments!

450. Qualifications of the shipping clerk. These workers are shipping clerks. Any applicant will not do for this important job. The shipping clerk must have a fair amount of strength, must be dependable, quick and accurate at figures, able to write a bold, legible hand, exercise judgment, and exhibit initiative. Above all he must be honest, not only with materials but also with his time and effort. Employers, however, take these personal qualities for granted, and demand that their shipping clerks also acquire a knowledge of common

Fig. 167. A shipping room. After the packages are wrapped and addressed they are conveyed by the moving belt, shown in the center of the picture, to the loading platforms.

shipping marks and characters, of correct principles of wrapping, boxing, and crating, of transportation rules and regulations, of legal responsibility for damages in transit, of how to keep shipping records, and of such sources of information as the "Shippers' Guide," and "Bullinger's Postal and Shippers' Guide."

451. Duties of the shipping clerk. The shipping clerk must inspect and check outgoing merchandise; pack orders; weigh packages; mark them for shipment; route each order; keep a shipment register; report shipments to the central office.

452. Inspecting and checking. From a duplicate of the sales order the stock clerk assembles the goods and forwards them to the shipping department. Here they must again be inspected and checked for quantity and style against the order copy. The shipping room acts as the last line of de-

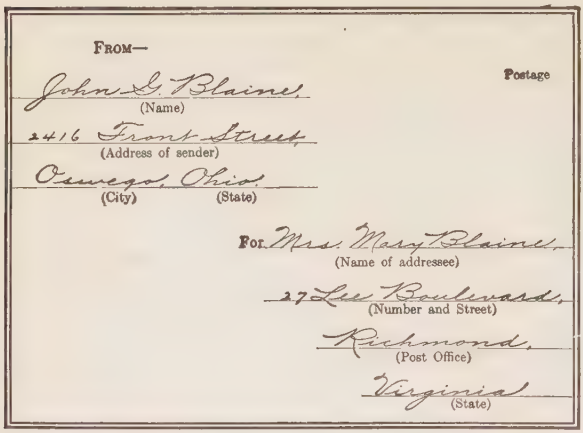


Fig. 168. How to address letters, cards, and parcels.

fense against error. If it fails, and shipments go out damaged, incorrect, or incomplete, trouble and misunderstanding result.

453. Packing. No definite instruction can be given for packing, boxing, or crating other than that listed in Section 178. The method is largely determined by the nature of the goods, and by the transportation agency selected. The alert junior shipping clerk will acquire skill in wrapping, packing, boxing, and crating by assisting the senior workers. He will learn how to keep down the weight and bulk of containers without risking injury to their contents in transit; how to pack so as to withstand the ordinary usage of handling and carrying; what regulations as to size and weight must be observed for each of the transporting agencies. Any one can pack goods, but the skilled shipping clerk puts up his orders in a way to protect the merchandise from damage, and the customer from needless transportation costs.

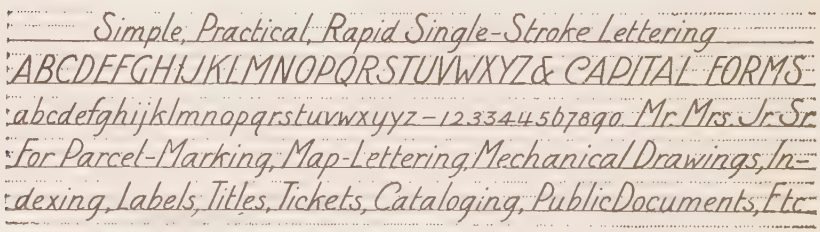

Simple, Practical, Rapid Single-Stroke Lettering
ABCDEFGHIJKLMNOPQRSTUVWXYZ & CAPITAL FORMS
abcdefghijklmnopqrstuvwxyyz-1233445b78go Mr. Mrs. Jr. Sr.
For Parcel-Marking, Map-Lettering, Mechanical Drawings, In-
dexing, Labels, Titles, Tickets, Cataloging, Public Documents, Etc.

Fig. 169. A simple, practical, rapid form of lettering for business. Note the similarity of the lettering to script forms.

454. Weighing. Rates for shipments vary with the weight and bulk as well as with the distance to be carried. The limit of weight for fourth-class matter (Sec. 358) is 70 pounds for parcels mailed for delivery within the first, second, and third zones (Sec. 461), and 50 pounds, with minor exceptions, for all other zones. Packages weighing over 35 pounds may not go by express if only paper-wrapped or in ordinary cardboard containers. The shipping clerk must be provided with parcel-post scales, and platform scales of a size sufficient for the packages handled. With these he can determine the gross weight of each container, and need not accept the weight as stated by the transportation agent.

455. Marking. Figure 91 shows a parcel-post package marked for shipment. So important, however, is correct addressing that the Post Office Department has devised the special form shown in Figure 168, and suggests its use on all containers to go by post. In large business establishments prepared labels similar to Figure 170 are furnished. When each blank on this form is properly filled in, there is no danger of a misdirected shipment or return for insufficient address. Where goods are barreled, boxed, or crated, shipping instructions should be printed directly on the container; when inclosed in burlap bags, a tag should be attached. Whatever form may be used, shipping instructions should include the name and the address of the shipper and the consignee, the

Your
No. 2354 Order No. 756 Date July 6, 19

Ship via American Express When At Once

To The Western Produce Company

Address 243 Wilson Street,
Denver, Colorado

THE JOHN W. BROWN COMPANY

WESTERN BRANCH, CHICAGO, ILL.

HOME OFFICE AND MANUFACTORY

Brown Building, 2354 Fifth Avenue, NEW YORK

Fig. 170. A shipping label properly addressed.

weight, the nature of the merchandise, the route, and whether the charges are to be prepaid or collected.

456. Causes of shipping troubles. An investigation, conducted by the express and railroad companies and the shipping interests, to determine the causes for transportation troubles, disclosed the following causes:

Loose boards
Broken packages
Fragile packages
Leaking packages
Insecure packages
Rattling contents
Insufficient nails
Illegible waybilling
Old marks not erased
Improperly applied tags
Illegible bills of lading
Improperly sealed cartons
Improper labels or no labels
Poor carbon used on bills of lading
Boxmaker's stamp not shown on fiber boxes
Address on billing and shipment not corresponding
Improper description on bill of lading or waybill
Omitting the county for two towns of the same name in a state

This list shows that errors in marking or directing are the most frequent cause of shipping troubles. As marking or directing packages is a function of the shipping clerk, he must prevent, if possible, all such errors, or at least reduce them to a minimum.

457. Suggestion to shippers. The following suggestions to shippers for better packing and marking were prepared as a result of this investigation. These suggestions are general information that individuals as well as shipping clerks should know.

Marking

Show full name of consignee, destination, and state. Do not abbreviate.

Show county, where there are two or more towns of the same name in the state.

Show street address at all times.

Show initials of destination road if certain delivery is desired.

Show "FROM" or "MANUFACTURED BY" preceding shipper's name and address.

Erase or obliterate old marks if second-hand package is used, avoiding use of such as far as possible.

Name and address of shipper and consignee on inside of package will insure delivery if outside marks are lost or destroyed.

Use marking pot and brush for marking packages having uneven surfaces.

Billing

Arrange your shipping instructions so that the shipping order will be on top.

Write plainly. Use typewriter if possible.

Do not use worn or poor carbon paper. See that all copies are lined up properly.

Be sure shipping instructions agree with marking on packages.

Describe freight fully and accurately, and be sure to verify.

Show actual gross weight on bills of lading and shipping tickets.

Delivery to Carrier

Deliver your freight to railroad station early in the day and have all express shipments ready as early in the day as possible.

Do not split your shipment, but deliver complete to avoid delay.

458. Routing shipments. Unless specific instructions are received from the customer, the shipping clerk must determine whether outgoing packages are to be shipped by parcel post, by express, by freight, or by motor truck. When routing, he must consider the convenience of the buyer, the nature of the goods, and the relative transportation charges.

459. Parcel post. In order to determine the correct postage to affix to parcel-post packages, the shipping clerk must be provided with the *United States Official Postal Guide*

STATE LIST

Post Offices, Branch Post Offices, and Stations

* Domestic money order offices. ° Postal savings depositories.
† International money order offices. § Summer offices.
‖ Winter offices.

ALABAMA

No.	P.O.& County Unit Zone
38100	°Birmingham†, Jefferson 2031 ....
38118	Boyles*..... ....
38120	Powderly*..... ....
	STATIONS
38101	°Avondale (Ind.) 2031 ....
39500	°Mobile†, Mobile 2187 ....
39506	Chickasaw*.....

CALIFORNIA

80100	°San Francisco†, San Francisco 5573 ....

COLORADO

30100	°Denver†, Denver 3819 ....

GEORGIA

06100	°Atlanta†, Fulton 1781 ....
06300	°Savannah†, Chatham 1484 ....

ILLINOIS

10100	°Chicago†, Cook 2115 ....

INDIANA

34100	°Indianapolis†, Marion 1969 ....

IOWA

64100	°Des Moines†, Polk 2715 ....

MARYLAND

55100	°Baltimore†, (Independent City) 1020 ....

MASSACHUSETTS

60100	°Boston†, Suffolk 464 ....

MICHIGAN

08100	°Detroit†, Wayne 1664 ....

MINNESOTA

27100	°Minneapolis†, Hennepin 2659 ....

NEW YORK

21600	°Albany†, Albany 713 ....
20000	°New York†, New York 717 ....
21400	°Rochester†, Monroe 1112 ....

OHIO

17200	°Cleveland†, Cuyahoga 1515 ....
17300	°Columbus†, Franklin 1619 ....

OKLAHOMA

62200	°Oklahoma City†, Oklahoma 3128 ...

OREGON

50100	°Portland†, Multnomah 5607 ...

PENNSYLVANIA

40100	°Philadelphia† 869 ... Philadelphia
40300	°Pittsburgh†, Allegheny 1368 ...

SOUTH DAKOTA

29500	°Mitchell†, Davison 3161 ...

TENNESSEE

57500	°Nashville†, Davidson 2026 ...

TEXAS

52120	°Austin†, Travis 3138 ...
52180	°El Paso†, El Paso 3985 ...

WASHINGTON

70300	°Seattle†, King 5553 ...
70400	°Spokane†, Spokane 5053 ...

WEST VIRGINIA

86600	°Wheeling†, Ohio 1418 ...

Fig. 171. Post offices and stations as they are listed in the Postal Guide.

the *Official Parcel-Post Zone Key*, and the *Table of Zone Rates*. These publications may be had from the Superintendent of Documents, Government Printing Office, Washington, D. C.

460. **United States Official Postal Guide.** In addition to official rulings and information on postal subjects, the Postal Guide contains a list of all post offices and stations in the United States arranged alphabetically by states, together with the office number, county, unit number, and certain other information relative to each office or station. Figure 171

OFFICIAL PARCEL POST ZONE KEY
FOR DETERMINING ZONES FROM UNIT NUMBER

Series 1 **869** *By order of the Postmaster General.*

Unit No.	Zone	Unit No.	Zone	Unit No.	Zone	Unit No.	Zone	Unit No.	Zone
00– 012	7	860– 864	3	1375–1384	4	**2239–**	6	**3201**–3235	6
9– 59	4	865– 867	2	1393–1397	5	2252–2287	5	3236–3246	7
		868– 870	1	1398–	6	2288–2291	6	3251–3283	6
104	5	871– 873	2					3284–3296	7
105– 110	4	877– 878	3	**1415**–1422	3	**2302**–2336	5		
154–	5			1423–1434	4	2337–2340	6	**3301**–3331	6
155– 311	4	**909–**	4	1435–1447	5	2352–2385	5	3332–3344	7
		910– 914	3	1448–1449	6	2386–2390	6	3351–3379	6
315– 316	3	915– 917	2	1465–1484	4			3380–3392	7
355– 362	4	918– 920	1	1485–1496	5	**2402**–2434	5		
364– 366	3	921– 923	2	1497–1499	6	2435–2440	6	**3401**–3427	6
		924– 964	3			2452–2483	5	3428–3452	7
407– 412	4	965– 973	2	**1515**–1533	4	2484–2490	6	3453–3474	6
413– 416	3	974– 978	3	1534–1546	5			3475–3504	7
458– 461	4	**979–**	4	1547–1549	6	**2502**–2532	5		
462– 466	3			1562–1583	4	2533–2552	6	**3505**–3521	6
		1012–1014	3	1584–1596	5	2553–2580	5	3522–3559	7
508– 511	4	1015–1023	2	1599–	6	2581–2603	6	3560–3565	6
512– 516	3	1024–1027	3					3566–3985	7
558– 560	4	1028–1029	4	**1610**–1632	4				
561– 567	3	1062–1065	3	1633–1644	5	**2604**–2629	5	**3986–**	8
		1066–1072	2	1649–	6	2630–2655	6		
608– 610	4	1073–1077	3	1657–1681	4	2656–2677	5	**4001**–4033	7
611– 615	3	1078–1080	4	1682–1706	5	2678–2707	6	4034–4035	8
616– 617	2							4051–4082	7
658– 660	4	**1112**–1115	3	**1707**–1730	4	**2708**–2724	5	4083–4085	8
661– 665	3	1116–1122	2	1731–1756	5	2725–2760	6		
666– 667	2	1123–1127	3	1757–1779	4	2761–2771	5	**4101**–4130	7
		1128–1131	4	1780–1807	5	2772–2991	6	4131–4135	8
708– 710	4	1162–1167	3					4151–4177	7
711– 714	3	1168–1170	2	**1808**–1828	4	**2992–**	7	4178–4186	8
715– 718	2	1171–1177	3	1829–1858	5				
759–	4	1178–1181	4	1859–1877	4				
760– 764	3			1878–1910	5	**3001**–3040	6	**4201**–4225	7
765– 770	2	**1212**–1226	3			3041–3043	7	4226–4236	8
		1227–1231	4	**1911**–1926	4	3051–3089	6	4251–4272	7
808– 809	4	1262–1275	3	1927–1961	5	3090–3097	7	4273–4286	8
810– 814	3	1276–1283	4	1962–1974	4				
815– 817	2			1975–2015	5	**3101**–3137	6	**4301**–4318	7
818– 820	1	**1314**–1325	3			3138–3147	7	4319–4356	8
821–	2	1326–1333	4	**2016**–2020	4	3151–3186	6	4357–4363	7
859–	4	1364–1374	3	2021–2238	5	3187–3196	7	4364–5813	8

THE FOLLOWING ARE WHOLLY WITHIN THE INDICATED ZONE:

Alabama, 5	Idaho, 8	Oregon, 8	Virgin Islands, 7
Arizona, 8	Illinois, 5	Porto Rico, 7	Washington, 8
California, 8	Massachusetts, 3	Rhode Island, 3	Wisconsin, 5
District of Columbia, 2	Nevada, 8	South Carolina, 4	

THE FOLLOWING SHALL BE CONSIDERED AS OF THE 8TH ZONE:

Alaska	Cuba	Mexico	Samoan Is.
Canada	Guam	Philippine Is.	U. S. Postal Agency,
Canal Zone	Hawaiian Is.	Republic of Panama	Shanghai, China

Unit No. 869

Fig. 172. Parcel-post zone key for Philadelphia.

Weight in pounds.	Local.	Zones.							
		1st up to 50 miles.	2d, 50 to 150 miles.	3d, 150 to 300 miles.	4th, 300 to 600 miles.	5th, 600 to 1,000 miles.	6th, 1,000 to 1,400 miles.	7th, 1,400 to 1,800 miles.	8th, over 1,800 miles.
1	$0.05	$0.05	$0.05	$0.06	$0.07	$0.08	$0.09	$0.11	$0.12
2	.06	.06	.06	.08	.11	.14	.17	.21	.24
3	.06	.07	.07	.10	.15	.20	.25	.31	.36
4	.07	.08	.08	.12	.19	.26	.33	.41	.48
5	.07	.09	.09	.14	.23	.32	.41	.51	.60
6	.08	.10	.10	.16	.27	.38	.49	.61	.72
7	.08	.11	.11	.18	.31	.44	.57	.71	.84
8	.09	.12	.12	.20	.35	.50	.65	.81	.96
9	.09	.13	.13	.22	.39	.56	.73	.91	1.08
10	.10	.14	.14	.24	.43	.62	.81	1.01	1.20
11	.10	.15	.15	.26	.47	.68	.89	1.11	1.32
12	.11	.16	.16	.28	.51	.74	.97	1.21	1.44
13	.11	.17	.17	.30	.55	.80	1.05	1.31	1.56
14	.12	.18	.18	.32	.59	.86	1.13	1.41	1.68
15	.12	.19	.19	.34	.63	.92	1.21	1.51	1.80
16	.13	.20	.20	.36	.67	.98	1.29	1.61	1.92
17	.13	.21	.21	.38	.71	1.04	1.37	1.71	2.04
18	.14	.22	.22	.40	.75	1.10	1.45	1.81	2.16
19	.14	.23	.23	.42	.79	1.16	1.53	1.91	2.28
20	.15	.24	.24	.44	.83	1.22	1.61	2.01	2.40
21	.15	.25	.25	.46	.87	1.28	1.69	2.11	2.52
22	.16	.26	.26	.48	.91	1.34	1.77	2.21	2.64
23	.16	.27	.27	.50	.95	1.40	1.85	2.31	2.76
24	.17	.28	.28	.52	.99	1.46	1.93	2.41	2.88
25	.17	.29	.29	.54	1.03	1.52	2.01	2.51	3.00
26	.18	.30	.30	.56	1.07	1.58	2.09	2.61	3.12
27	.18	.31	.31	.58	1.11	1.64	2.17	2.71	3.24
28	.19	.32	.32	.60	1.15	1.70	2.25	2.81	3.36
29	.19	.33	.33	.62	1.19	1.76	2.33	2.91	3.48
30	.20	.34	.34	.64	1.23	1.82	2.41	3.01	3.60
31	.20	.35	.35	.66	1.27	1.88	2.49	3.11	3.72
32	.21	.36	.36	.68	1.31	1.94	2.57	3.21	3.84
33	.21	.37	.37	.70	1.35	2.00	2.65	3.31	3.96
34	.22	.38	.38	.72	1.39	2.06	2.73	3.41	4.08
35	.22	.39	.39	.74	1.43	2.12	2.81	3.51	4.20
36	.23	.40	.40	.76	1.47	2.18	2.89	3.61	4.32
37	.23	.41	.41	.78	1.51	2.24	2.97	3.71	4.44
38	.24	.42	.42	.80	1.55	2.30	3.05	3.81	4.56
39	.24	.43	.43	.82	1.59	2.36	3.13	3.91	4.68
40	.25	.44	.44	.84	1.63	2.42	3.21	4.01	4.80
41	.25	.45	.45	.86	1.67	2.48	3.29	4.11	4.92
42	.26	.46	.46	.86	1.71	2.54	3.37	4.21	5.04
43	.26	.47	.47	.90	1.75	2.60	3.45	4.31	5.16
44	.27	.48	.48	.92	1.79	2.66	3.53	4.41	5.28
45	.27	.49	.49	.94	1.83	2.72	3.61	4.51	5.40
46	.28	.50	.50	.96	1.87	2.78	3.69	4.61	5.52
47	.28	.51	.51	.98	1.91	2.84	3.77	4.71	5.64
48	.29	.52	.52	1.00	1.95	2.90	3.85	4.81	5.76
49	.29	.53	.53	1.02	1.99	2.96	3.93	4.91	5.88
50	.30	.54	.54	1.04	2.03	3.02	4.01	5.01	6.00

Fig. 173. A table of parcel-post zone rates. Weights from 51 to 70 pounds have been omitted from the table.

is a reproduction of a few selected sections from this list. What is the office number of San Francisco? its county? unit number? Does the San Francisco office handle international money orders? postal savings? The office number to the left of the city's name is used when corresponding with the department relating to that office. The unit number is used in the determination of parcel-post rates.

461. Official Parcel-Post Zone Key. Figure 172 is the official parcel-post zone key for Unit No. 869—the Philadelphia Post Office. Separate zone keys are issued for each office listed in the Postal Guide. As fourth-class rates are based on distance carried as well as gross

EXPRESS CLASSIFICATION

Explanation of Terms and Abbreviations used in this Classification

1 stands for First-Class Rate.
2 stands for Second-Class Rate.
3 stands for Third-Class Rate.
1½ t 1 stands for 1½ times First-Class Rate.
2 t 1 stands for 2 times First-Class Rate.
2½ t 1 stands for 2½ times First-Class Rate.
K. D. stands for Knocked Down.
N. O. S. stands for Not Otherwise Specified.

A

		Class
1	**Adding Machines:**	
	Boxed or in sample trunks...	1
	In their own cases only.....	2 t 1
	Will not be accepted unless packed as provided above.	

F

		Class
	Furniture:	
1	**Book Cases**—Sectional, K. D. flat, and boxed or securely crated.....	1
	N. O. S., same as Furniture N. O. S.	
2	**Chairs, Folding, Steamer, Camp or Opera**.....	1
3	**Chairs, Invalid Wheel:**	
	Boxed or crated.....	1
	Not boxed or crated....	2 t 1
4	**Chairs**—Iron, frame.....	1
5	**Chairs, Kindergarten**.....	1
6	**Chairs, Rustic, including Settees**—Same as Furniture N. O. S.	
7	**Cots, Folding**.....	1
8	**Furniture Frames**—Set up, same as Furniture N. O. S.	
9	**Letter File Cases**—Same as Furniture N. O. S.	
10	**Refrigerators**, when new, must be boxed or crated.	1
11	**School Desks**.....	1
12	**Shoe Racks**—Same as Furniture N. O. S.	1
13	**Stools, Iron Frames**.....	1
14	**Stools and Benches, Organ or Piano:**	
	Boxed or crated.....	1
	Not boxed or crated...1½ t 1	
15	**Tables, Caterers'**, K. D. or Folding.....	1
16+	**Furniture, Bamboo, Cane, Fibre, Grass, Rattan, Reed or Willow**.....	2 t 1
17	**Furniture N. O. S.—Second Hand**, must be boxed or crated, and charges must be prepaid, minimum charge first class under Scale 10..	1
18	**Furniture N. O. S.—New:**	
	Articles valued at more than $2.50 each, must be boxed or crated, minimum charge first class under Scale 10.....	1
	Articles valued at not exceeding $2.50 each, boxed or crated, minimum charge first class under Scale 10.....	1
	Articles valued at not exceeding $2.50 each, not boxed or crated.....	2 t 1

Fig. 174. From the official express classification guide.

weight, the Post Office Department has divided the United States and her possessions into eight districts or zones. The rate from any point outside is the same to every point within a particular zone. In what zone from Philadelphia is the post office with Unit No. 927? No. 3506? San Francisco? Manila?

EXPRESS RATES IN TARIFF GUIDE

Schedule of First and Second-Class Express Rates in Cents

Pounds	Scale Numbers. 8		9		10		11		12		13		14		15	
	1st Class	2d Class	1st Class	2d Class	1st Class	2d Class	1st Class	2d Class	1st Class	2d Class	1st Class	2d Class	1st Class	2d Class	1st Class	2d Class
1	37	32	37	33	37	33	37	34	37	34	37	35	37	35	37	36
2	37	32	37	33	37	33	38	34	38	34	38	35	38	35	38	36
3	38	32	38	33	38	33	38	34	39	34	39	35	39	35	39	36
4	39	32	39	33	39	33	39	34	39	34	40	35	40	35	40	36
5	39	32	39	33	40	33	40	34	40	34	40	35	42	35	42	36
6	40	32	40	33	40	33	42	34	42	34	42	35	43	35	43	36
7	42	32	42	33	42	33	43	34	43	34	43	35	44	35	44	36
8	42	32	43	33	43	33	43	34	44	34	44	35	45	35	45	36
9	43	32	43	33	44	33	44	34	45	34	45	35	47	35	47	36
10	43	32	44	33	44	33	45	34	45	34	47	35	47	35	48	36
11	44	33	45	34	45	34	47	35	47	35	48	36	48	36	50	38
12	45	34	45	34	47	35	48	36	48	36	50	38	50	38	52	39
13	45	34	47	35	48	36	48	36	50	38	52	39	52	39	53	40
14	47	35	48	36	48	36	50	38	52	39	53	40	53	40	54	41
15	48	36	48	36	50	38	52	39	53	40	53	40	54	41	55	41
96	121	91	127	95	135	101	141	106	149	112	154	116	161	121	168	126
97	122	92	129	97	136	102	142	107	149	112	155	116	163	122	169	127
98	123	92	130	98	136	102	142	107	150	113	156	117	164	123	170	128
99	123	92	130	98	137	103	144	108	151	113	158	119	165	124	171	128
100	125	94	131	98	139	104	145	109	152	114	159	119	166	125	173	130

Fig. 175. The scale numbers in this tariff guide refer to Figure 176. Weights from 16 to 95 pounds have been omitted from the table.

462. Table of zone rates. These rates are shown in Figure 173. What is the limit of weight for parcel-post packages according to the table? How much does it cost to send a parcel weighing 17 pounds to a point within the home zone? the third zone? the eighth zone? How much for a package weighing 50 pounds to each zone?

463. Determination of parcel-post rates. After the package has been properly wrapped, addressed, and weighed, take from the Postal Guide the unit number of the office of

Supt's Div'n No.	OFFICE	Block No. and Sub-Block Letter	Scale No.	Supt's Div'n No.	OFFICE	Block No. and Sub-Block Letter	Scale No.
24	Adamsdale	949 H	8	20	Parnassus (d)	946 E	21
20	Adamsville	845 G	25	28	Parryville	950 B	8
6	Akeley, Warren Co.	846 D	25	7	Parsons	850 I	13
24	Akron	949 Q	8	20	Patton, Cambria Co. (d)	947 F	18
2	Alba	849 E	16	24	Paxinos	949 B	11
20	Albion (d)	845 C	25	22	Paxtonville	948 D	13
24	Alburtis	950 F	8	23	Peach Bottom, Lancaster Co	1049 C	8
7	Alderson	849 M	16	7	Peckville (d)	850 K	13
7	Allentown, Lehigh Co. (d)	950 G	8	28	Pen Argyl (d)	950 D	8
7	Dallas, Luzerne Co.	850 I	13	24	Pencoyd (d)	1050 D	3
18	Fairfield, Adams Co	1048 C	13	24	Schuylkill Haven(d)	949 H	8
24	Hershey (d)	949 K	11	24	Schwenksville	950 L	5
7	McAdoo	950 A	8	22	Scotia	948 A	13
24	McAuley	949 C	11	22	Scotland	1048 B	13
23	McCalls Ferry, York Co	1049 C	8	20	Scottdale (d)	946 O	21
22	McClure, Snyder Co	948 G	13	19	Scott Haven, Westmoreland Co	946 I	21
43	McDonald, Washington			7	Scranton (d)	850 K	13
7	Park Place, Schuylkill Co	949 D	11	22	Selins Grove	949 A	11
20	Parkview	946 I	21	22	Sell	1048 D	13
				24	Sellersville (d)	950 L	5
				5	Seminole	946 C	21
				18	Seven Stars	1048 C	13

Fig. 176. A partial list of express offices from the Tariff Guide. The scale numbers apply from Philadelphia.

destination. Determine from the local parcel-post zone key the zone within which this unit number is located. Find from the table of zone rates the postage charge to that zone for a package of such gross weight.

464. Express rates and charges. To predetermine the transportation charges on packages to go by express, the shipping clerk must have access to and understand the use of the *Official Express Classification Guide* and the *Tariff Guide.*

465. Official Express Classification Guide. This volume contains rules and information concerning express deliveries, and gives a complete list of articles that may be shipped by express and the proper classification of each. Figure 174 is a reproduction of a few sections from this list. How many classifications are indicated? In what class are school desks? adding machines, packed in their own cases? piano stools, uncrated?

466. The Tariff Guide. This guide contains a list of all express offices in the United States arranged alphabetically by states, and a schedule of express rates. Figure 176 is a reproduction of a few sections from the list of offices. The "Supt's Div'n No." and "Block No. and Sub-Block Letter" are technical details for railroad employees, and need not concern the shipping clerk. The "Scale No.," however, is important in the determination of express charges. Figure 175 is a section

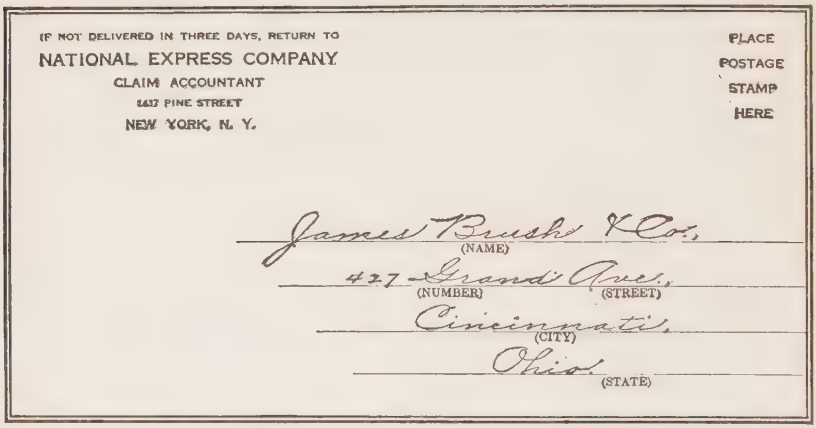


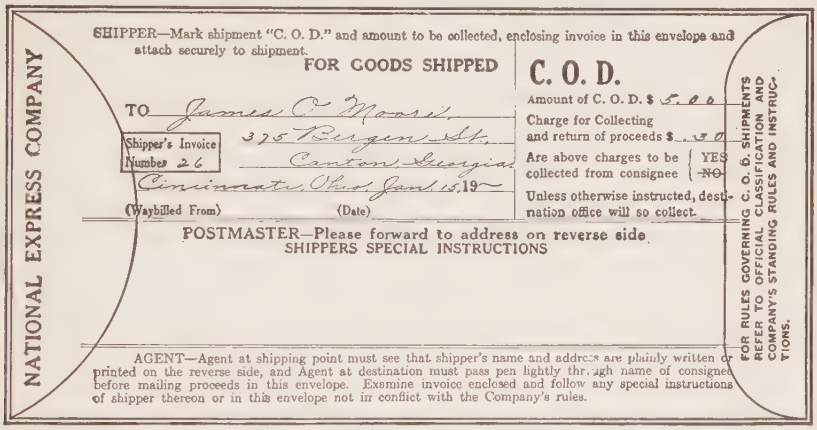
Fig. 177. The front of an express C. O. D. envelope.

from the schedule of rates per pound on first- and second-class shipments arranged by scale numbers.

467. How to calculate express charges. After the merchandise has been packed, addressed, and weighed, determine from the Official Express Classification Guide the classification, and from the local tariff guide the scale number of the office of destination. Then find from the table of express rates the charges to that scale number for goods of that classification and gross weight.

468. C. O. D. shipments. For the convenience of manufacturers and merchants who do not care to extend credit to certain of their patrons, and of customers who desire to pay only on the receipt of the goods, express companies conduct a

collect-on-delivery service. Shipments of this kind are handled in the following way: James Brush & Co., 427 Grand Avenue, Cincinnati, Ohio, sell merchandise to James O. Moore, 375 Bergen Street, Canton, Ga., to the value of $5.00 and agrees to ship it C. O. D. by express. Their billing department mails the bill to Mr. Moore, and also sends an abstract of it to their shipping clerk. He fills in a C. O. D. envelope as shown in Figure 178, incloses the abstract, and


SHIPPER—Mark shipment "C. O. D." and amount to be collected, enclosing invoice in this envelope and attach securely to shipment.

FOR GOODS SHIPPED

C. O. D.

TO James O. Moore

375 Bergen St.

Canton, Georgia

Shipper's Invoice Number 26

Cincinnati, Ohio, Jan. 15, 19—

(Waybilled From) (Date)

Amount of C. O. D. $ 5.00

Charge for Collecting and return of proceeds $ .30

Are above charges to be collected from consignee { YES / ~~NO~~

Unless otherwise instructed, destination office will so collect.

POSTMASTER—Please forward to address on reverse side

SHIPPERS SPECIAL INSTRUCTIONS

NATIONAL EXPRESS COMPANY

FOR RULES GOVERNING C. O. D. SHIPMENTS REFER TO OFFICIAL CLASSIFICATION AND COMPANY'S STANDING RULES AND INSTRUCTIONS.

AGENT—Agent at shipping point must see that shipper's name and address are plainly written or printed on the reverse side, and Agent at destination must pass pen lightly through name of consignee before mailing proceeds in this envelope. Examine invoice enclosed and follow any special instructions of shipper thereon or in this envelope not in conflict with the Company's rules.

Fig. 178. The back of an express C. O. D. envelope.

forwards the envelope with the goods to the transportation company. On arrival of the goods at the destination, Mr. Moore is notified. If he pays the charges, the merchandise is delivered to him and the amount less any charges is mailed within the C. O. D. envelope to James Brush & Co. in the form of an express money order. (Sec. 173.) If the goods are refused or cannot be delivered within a reasonable time, James Brush & Co. are notified.

469. Freight. In addition to the suggestions regarding shipments by freight as outlined in Section 186, the shipping clerk must know how to calculate freight charges, how to prepare bills of lading, and how to ship merchandise on an order bill of lading.

Uniform Domestic Straight Bill of Lading Adopted by Carriers in Official, Southern and Western Classification Territories, March 15, 19

UNIFORM STRAIGHT BILL OF LADING

Shipper's No. 876

(PRESCRIBED BY THE INTERSTATE COMMERCE COMMISSION)

ORIGINAL—NOT NEGOTIABLE

Agent's No.

TRANSYLVANIA RAILROAD SYSTEM

THE TRANSYLVANIA RAILROAD COMPANY

RECEIVED, subject to the classifications and tariffs in effect on the date of the issue of this Bill of Lading,

at Kalamazoo, Michigan, May 7, 19—

from Diamond Paper Manufacturing Company

the property described below, in apparent good order, except as noted (contents and condition of contents of packages unknown), marked, consigned, and destined as indicated below, which said Company (the word company being understood throughout this contract as meaning any person or corporation in possession of the property under the contract) agrees to carry to its usual place of delivery at said destination, if on its own road or its own water line, otherwise to deliver to another carrier on the route to said destination. It is mutually agreed, as to each carrier of all or any of said property over all or any portion of said route to destination, and as to each party at any time interested in all or any of said property, that every service to be performed hereunder shall be subject to all the conditions not prohibited by law, whether printed or written, herein contained, including the conditions on back hereof, which are hereby agreed to by the shipper and accepted for himself and his assigns.

(Mail or street address of consignee—For purposes of notification only.
910–916 Erie Street)

Consigned to Midwest Publishing Company

Destination St. Louis State of Missouri County of

Route

(Delivering Carrier.) Car Initial Car No.

No. Packages	Description of Articles, Special Marks, and Exceptions	*Weight (Subject to Correction)	Class or Rate	Check Column
10	Cases Printing Paper	5250		
5	Bundles Printing Paper	1680		
5	Crates Coated Paper	2000		

If this shipment is to be delivered to the consignee without recourse on the consignor, the consignor shall sign the following statement:

The carrier shall not make delivery of this shipment without payment of freight and all other lawful charges. (*See section 7 of conditions.*)

(Signature of consignor.)

If charges are to be prepaid, write or stamp here, "To be Prepaid."

Received $ to apply in prepayment of the charges on the property described hereon.

Agent or Cashier.

Per

(The signature here acknowledges only the amount prepaid.)

Charges advanced:

$

* If the shipment moves between two ports by a carrier by water, the law requires that the bill of lading shall state whether it is "carrier's or shipper's weight."

Note.—Where the rate is dependent on value, shippers are required to state specifically in writing the agreed or declared value of the property.

The agreed or declared value of the property is hereby specifically stated by the shipper to be not exceeding

per

Diamond Paper Mfg. Co. *Shipper.* Harrison Townsend *Agent.*

Per James Madison Per John McGonigle

Permanent post-office address of shipper 842 Lake St., Kalamazoo, Michigan.

Fig. 179. The original copy of a straight bill of lading.

470. Freight charges. Freight rates average one-fourth to one-third of express rates on shipments to the same destination. For the assistance of agents and shipping clerks in the determinations of freight charges, freight classification and tariff guides have been prepared similar in form and use to the express guides. (Secs. 465–467.)

471. Bills of lading. A bill of lading is a paper issued by a common carrier, signed by the proper officials. acknowledg-

SHIPMENT RECORD

DATE	OUR ORDER NO.	NAME AND ADDRESS	METHOD OF SHIPMENT	ROUTE	PACKAGE NO.	WEIGHT	CHARGES	PREPAID OR COLLECT
19–								
May 7	876	Midwest Publishing Co	Freight	T P R	20	8930		Collect
		St Louis Mo						

Fig. 180. The shipment register is useful in "proving delivery" on a package which has not been received by a customer.

ing the receipt of goods to be shipped and promising to deliver them safely to the person to whom they are addressed. Figure 179 is one form of this business paper. A bill of lading is filled in by the shipping clerk in triplicate and forwarded with the goods to the carrier. The original, known as the *bill of lading*, is signed by the agent for the company, by the shipping clerk for the seller, and forwarded with the bill to the consignee. The duplicate, known as the *shipping order*, is signed by the shipper and retained by the transportation agency as their authority to ship the goods. The second copy, known as the *memorandum*, is signed by the freight agent and retained by the shipper as his receipt. When the goods arrive at the point of destination, they will be released to the consignee on proper identification and payment of transportation charges.

472. Order bill of lading. If a business establishment is not familiar with or is doubtful of the credit standing of a customer, or if the customer desires to pay only on receipt of the goods, the freight shipment is sent to him on an *order bill*

of lading. (Fig. 181.) This is made in triplicate. The memorandum and shipper's order are given to the shipper and the agent in the same manner as the straight bill of lading. To the original, however, the shipper attaches a sight draft (Sec. 226) drawn on the buyer, and deposits it in his bank for collection. The bank forwards the papers to its correspondent nearest the customer's home or place of business. When they arrive, the correspondent bank notifies the customer, and upon receiving payment of the draft, transfers to him the order bill of lading. This the customer must surrender to the freight agent before the shipment is released.

473. Motor truck. This means of transportation was discussed in Section 187.

474. The shipment record. A shipping department must keep a record of all goods forwarded. If the duplicate order is used for this purpose, it is marked with the date and the mode of shipment and filed for reference. If, however, the duplicate is returned to the order department or to the central filing section, a shipment register must be kept in a manner similar to Figure 180. If there are a great many shipments, separate records are kept for packages which go by parcel post, by express, by freight, and by motor truck.

475. Reporting shipments. Regulations concerning the activities of the shipping department which must be reported and the departments to which the reports must be made vary with different business organizations. A good practical plan suggests that the shipping clerk send the original bill of lading to the billing or to the mailing department, the memorandum to the filing department, the duplicate order with shipping date and route to the billing department.

QUESTIONS

1. How is the shipping department of help to the sales department? 2. Profits may be made or lost in the shipping room. Explain. 3. Who is legally responsible for goods damaged in transit? 4. Tell how each of the qualifications set down in Section 450 for a shipping clerk will help him to do his job better. 5. If you were chief shipping

Uniform Domestic Order Bill of Lading Adopted by Carriers in Official, Southern and Western Classification Territories, March 15, 19

UNIFORM ORDER BILL OF LADING

Shipper's No. 942

(PRESCRIBED BY THE INTERSTATE COMMERCE COMMISSION)

ORIGINAL

Agent's No. 183

TRANSYLVANIA RAILROAD SYSTEM

THE TRANSYLVANIA RAILROAD COMPANY

RECEIVED, subject to the classifications and tariffs in effect on the date of the issue of this Bill of Lading,

at Bridgeport, Connecticut, June 20, 19—

from University Press

the property described below, in apparent good order, except as noted (contents and condition of contents of packages unknown), marked, consigned, and destined as indicated below, which said Company (the word company being understood throughout this contract as meaning any person or corporation in possession of the property under the contract) agrees to carry to its usual place of delivery at said destination, if on its own road or its own water line, otherwise to deliver to another carrier on the route to said destination. It is mutually agreed, as to each carrier of all or any said property over all or of any portion of said route to destination, and as to each party at any time interested in all or any of said property, that every service to be performed hereunder shall be subject to all the conditions not prohibited by law, whether printed or written, herein contained including the conditions on back hereof, which are hereby agreed to by the shipper and accepted for himself and his assigns.

The surrender of this Original O R D E R Bill of Lading properly indorsed shall be required before the delivery of the property. Inspection of property covered by this bill of lading will not be permitted unless provided by law or unless permission is indorsed on this original bill of lading or given in writing by the shipper.

(Mail or street address of consignee—For purposes of notification only. College Park)

Consigned to **ORDER OF** Colorado State Bank

Destination Denver State of Colorado County of Denver

Notify Denver City College

At College Park State of Colorado County of Denver

Route T. K. R.

_____ Car Initial _____ Car No. _____

(Delivering Carrier.)

No. Packages	Description of Articles, Special Marks, and Exceptions	*Weight (Subject to Correction)	Class or Rate	Check Column
5	Cases Books	492	1	

If this shipment is to be delivered to the consignee without recourse on the consignor, the consignor shall sign the following statement:

The carrier shall not make delivery of this shipment without payment of freight and all other lawful charges. (*See section 7 of conditions.*)

(Signature of consignor.)

If charges are to be prepaid write or stamp here, "To be Prepaid."

Received $ _____ to apply in prepayment of the charges on the property described hereon.

Agent or Cashier.

Per _____

(The signature here acknowledges only the amount prepaid.)

Charges advanced:

$ _____

* If the shipment moves between two ports by a carrier by water, the law requires that the bill of lading shall state whether it is "carrier's or shipper's weight."

Note.—Where the rate is dependent on value, shippers are required to state specifically in writing the agreed or declared value of the property.

The agreed or declared value of the property is hereby specifically stated by the shipper to be not exceeding _____ per _____

University Press *Shipper.* R. L. Duay *Agent.*

Per Clarence Crossan Per Benj. Nelson

Permanent post-office address of shipper 987 Spruce St., Bridgeport, Conn.

Fig. 181. The original copy of an order bill of lading.

clerk, which of the duties listed in Section 451 would you assign to your junior helpers? which would you reserve for your seniors? 6. "Do not blame me. I sent what the stockkeeper gave me," said a shipping clerk concerning an order which was filled and delivered incorrectly. Was his answer justifiable? 7. Is packing securely the only problem before the shipping clerk when he is boxing or crating merchandise? 8. "Do not weigh those boxes. The freight agent will attend to that," said a busy shipping clerk. Discuss the wisdom of his method. 9. How should shipments be marked? 10. Distinguish between gross and net weight; consignor and consignee. 11. Tell how one may determine the parcel-post rate on any package; the express rate. 12. Distinguish between a straight and an order bill of lading.

TOPICS FOR DISCUSSION AND INVESTIGATION

1. What is the Interstate Commerce Commission, and what are its duties? 2. What is a *manifest*, and how is it used? 3. Select some place about 100 miles from your home. Imagine you are sending four packages weighing respectively 5, 15, 45, and 50 pounds to that place. Find and compare the transportation rates on each by parcel post, express, freight, and motor truck. 4. An order bill of lading is negotiable. What does this mean? 5. "F. O. B. destination." Explain. 6. What is *demurrage?*

PROBLEMS

1. Using the Postal Guide (Fig. 171), the Zone Key (Fig. 172), and the Table of Zone Rates (Fig. 173), determine the postage on each of the following parcel-post packages from Unit 869—Philadelphia—to:

(*a*) Minneapolis, Minn., 25 pounds, Order No. 168, A. B. Dick & Co.
(*b*) Cleveland, Ohio, 35 pounds, Order No. 169, M. H. Brown.
(*c*) Canal Zone, 27 pounds, Order No. 240, Bell & Bell.
(*d*) Pittsburgh, Pa., 46 pounds, Order No. 321, A. W. Wallace.
(*e*) New York, N. Y., 48 pounds, Order No. 621, Bunn Mfg. Co.
(*f*) Des Moines, Iowa, 18 pounds, Order No. 712, Meyer & Gracy.
(*g*) Portland, Ore., 33 pounds, Order No. 716, Ritchie & Co.
(*h*) Austin, Tex., 41 pounds, Order No. 868, Field & Son.
(*i*) Spokane, Wash., 23 pounds, Order No. 919, C. Clark.
(*j*) Wheeling, W. Va., 39 pounds, Order No. 925, Wilson & Co.

2. Prepare a shipment record similar to Figure 180 for the parcel-post packages in Problem 1. 3. With the help of Figures 174, 175, and 176 find the express charges on the following shipments from Philadelphia:

(*a*) A steamer chair weighing 98 pounds to B. F. Brown, 346 Hill Street, Scranton, Pa. Order No. 142.

(*b*) A folding cot weighing 96 pounds to Mrs. Walter Holt, 1742 Valley Road, Hershey, Pa. Order No. 178.

(*c*) A refrigerator weighing 97 pounds to Delmar Smith, 411 Walnut Street, Allentown, Pa. Order No. 396.

(*d*) A bookcase weighing 99 pounds to Miss Mary Street, 11 Jasper Street, Seven Stars, Pa. Order No. 568.

(*e*) A letter file case, boxed, weighing 15 pounds to Myers & Kirkbride, Dallas, Pa. Order No. 611.

4. Prepare a shipment record similar to Figure 180 for the express packages in Problem 3. 5. The Dresden China Company, your city, shipped the following orders for chinaware:

(*a*) Jones & Baker, 168 State Street, Chicago, Ill. Order No. 1678. 3 casks, chinaware, No. 146, 125 lbs., No. 147, 175 lbs., No. 148, 135 lbs.

(*b*) Simmons Hardware Company, 168 Center Avenue, St. Louis, Mo. Order No. 1688. 2 casks, 2 barrels, chinaware, No. 149, 175 lbs., No. 150, 150 lbs., No. 151, 110 lbs., No. 152, 125 lbs.

(*c*) Wilson & Company, 1116 Hill Street, Boston, Mass. Order No. 1725. 2 casks, 1 box, chinaware, No. 153, 175 lbs., No. 154, 150 lbs., No. 155, 65 lbs.

(*d*) Simpson and Jones, 871 Mountain Avenue, Denver, Colo. Order No. 1720. 2 casks, 1 barrel, chinaware, No. 156, 225 lbs., No. 157, 350 lbs., No. 158, 125 lbs.

(*e*) Noonan and Noonan, 746 Walnut Street, Baltimore, Md. Order No. 1726. 3 casks, 1 crate, chinaware, No. 159, 350 lbs., No. 160, 295 lbs., No. 161, 375 lbs., No. 162, 75 lbs.

(*f*) Williams and Lewis, 345 River Street, Cincinnati, Ohio. Order No. 1711. 2 casks, 1 barrel, 1 crate, chinaware, No. 163, 355 lbs., No. 164, 310 lbs., No. 165, 135 lbs., No. 166, 75 lbs.

(*g*) Rorer & Rorer, 546 Spruce Street, Seattle, Wash. Order No. 1811. 2 casks, chinaware, No. 167, 350 lbs., No. 168, 175 lbs.

(*h*) James H. Dodds, 149 Bay Street, Jacksonville, Fla. Order No. 1850. 1 cask, 1 barrel, chinaware, No. 169, 125 lbs., No. 170, 195 lbs.

Ship orders (*a*), (*b*), and (*c*) C. O. D. by express, using C. O. D. envelopes and memoranda; orders (*d*), (*e*), and (*f*) on straight bills of lading; orders (*g*) and (*h*) on order bills of lading. Enter each order on a shipment record. Show on separate pieces of paper how you would mark each shipment.

Chapter XXVIII

THE TIME CLERK AND THE PAY-ROLL CLERK

476. Timekeeper and paymaster. To know who worked, when he worked, and what he did, to determine the wages due, and to make up the pay envelopes or pay checks for distribution among the employees are tasks which must be performed in every business organization. In small stores or factories, the proprietor figures the time and pays the help. In larger establishments, the cashier or the bookkeeper performs these services in addition to his regular duties, or assigns one or more of his assistants to the tasks. Big business organizations carry this division of labor one step further and provide a timekeeper's department to calculate the amount of wages and salaries, and a paymaster's department to prepare the envelopes or checks, and to pay the workers. The importance of these duties cannot be overemphasized. If the correct amount due each worker is paid to him each week, a spirit of loyalty and good will is fostered. If errors occur and a man receives less than he earns, dissatisfaction and distrust may result; if he receives more than he earns, the business loses money.

477. Qualifications of juniors. The discussion of the positions of time clerk and pay-roll clerk will be simplified if all the workers who keep the time and make up the pay envelopes or checks are placed under one chief—the paymaster. The junior workers in this department must be strictly honest and show no favors. In addition they must be punctual, accurate, careful, have a sense of orderliness and neatness, be able to add, subtract, multiply, divide, to handle simple fractions and decimals, to write a legible hand, and to acquire a familiarity with such devices as time clocks,

Fig. 182. A time clock with printing device for recording the time of arrival and departure of employees.

stamps, and cards, calculating, and money machines. If they show ability and aptitude, these assistants may advance to the position of chief timekeeper, or to paymaster, from which advancement lies within the treasurer's department to treasurer of the organization.

478. Duties of the paymaster's department. The paymaster's assistants keep records of rates paid to employees; regulate the time clock; control the recording of "in-and-out" time; extend time cards; prepare the pay roll, change memorandum, bank slip, and pay-roll check; fill the envelopes or make out the employees' checks; and distribute the envelopes or checks. In addition they should be familiar with wage sytems.

PRODUCTIVE DAY WORK

Detail No. 2142 Lot No. 587 Date March 4, 19-

Article Upper Bracket No. of Pieces in lot 100

Employee's No. 2964

Name John Edwards

Mach. No. 425

Operation Milling Sides for Connecting Rod

Quantity Finished 100

Stop Mar 4 11.2

Start Mar 4 7.0

Time 4.2

Rate .70

Amt. 2.94

Deduct Spoiled 2

Deduct Defective 1 Foreman H Dixon

Fig. 183. A job time card for day work.

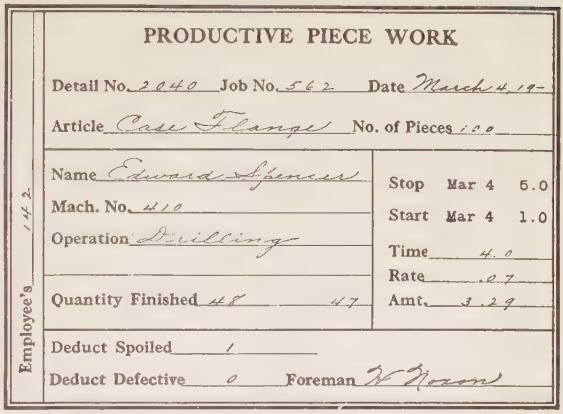
479. Wage systems. There are several wage systems, of which the *time payment* or *day wage*, *straight piece work*, and *differential piece work* plans are in general use.

480. Time payment or day wage. This is the plan most commonly used. It provides for paying each employee an agreed sum for a certain number of hours' or days' work. Such a system can be figured readily from time cards, results in no complaint from employees because of delays or tie-ups, and can be calculated ahead by the worker. It is, however, likely to prove unfair to the employee of exceptional ability unless the rate by the hour is individually and carefully set; and it offers no incentive to do better than one's fellows.

If an employee does one task, such as that of messenger or junior file clerk, his time is recorded by means of a time clock. (Fig. 182.) If, however, one works on several jobs, orders, or articles, and if the labor cost of each must be recorded, a job time card for day work (Fig. 183) is used. Explain each entry on this form.

481. Straight piece work. John Lewis and his brother Frank work in a factory. John is speedy, able, and industrious; Frank shirks. At the end of the week, John receives $57.75 in wages, Frank but $38.50. Why? Because John completed 165 castings during his working time for each of which he received thirty-five cents, and Frank made but 110 castings. Each man received a wage based on the number of articles he had produced. This is the straight piece work wage plan. As earnings are tied up directly with production,

this plan offers an incentive for the ambitious employee to work harder, and to take a lively interest in having everything well managed. It is frequently combined with a minimum wage guarantee, which sum is paid regardless of the quantity of work done.


PRODUCTIVE PIECE WORK

Detail No. 2040 Job No. 562 Date March 4, 19-

Article Case Flange No. of Pieces 100

Employee's 142

Name Edward Spencer

Mach. No. 410

Operation Drilling

Quantity Finished 48 47

Stop Mar 4 5.0

Start Mar 4 1.0

Time 4.0

Rate .07

Amt. 3.29

Deduct Spoiled 1

Deduct Defective 0 Foreman W Mason

Fig. 184. A job time card for piece work.

Straight piece work requires a job time card (Fig. 184) which gives the quantity produced and the rate per unit. From it the employee's wage is determined, and the proper labor cost is charged against each job.

482. Differential piece work. John Lewis believes his brother Frank would become a better worker if they secured positions in a factory paying on the differential piece work plan. They do so. Their new employer considers the production of twenty-five castings a good day's work, and agrees to pay for them at the rate of thirty-five cents apiece. Frank, however, completes but twenty castings in a day, while John makes thirty. How much does Frank receive for each piece? (Fig. 185.) How much does John receive? The differential piece work wage plan provides a fixed piece rate for a certain amount of production in a given time.

Differential Piece Work	
No. of Pieces	Rate
20	27
21	29
22	31
23	33
24	34
25 Standard	35
26	36
27	38
28	40
29	42
30	44

Fig. 185. Differential rates in cents for each piece of work completed.

EMPLOYEE RECORD

Name Clara Barton No. 826
Address 411 Penn Street Telephone No. Granite 0124
Address Telephone No.
Address Telephone No.
Employed by J. Bancroft

DATE	POSITION	SALARY	PER	DATE	POSITION	SALARY	PER
19— Nov 5	Typist	18 00	wk				

Date left Date Discharged
Record and Remarks

Fig. 186. An employee's rate record.

483. Wage rate record. The paymaster's department must know the wage rate agreed upon with each employee, and must be notified immediately of any increases or deductions in this rate. Many methods of recording this data are in use. Figure 186 shows a card index record which has proved very practical. What is Clara Barton's number? When was she engaged? at what rate? Has she ever received an increase in salary?

484. Regulate the time clock. To have workmen write down their time at the close of each day, or to have these reports made for them by foremen or timekeepers, has proved inadequate. So much so that time clocks are in almost universal use for recording the hour of arrival and departure of employees. How necessary that these clocks be kept regulated to the minute! If they are slow, tardy employees are recorded as punctual, and become careless; if fast, earnest, conscientious workers are recorded as late and become disgruntled. The efficient time clerk will find out which business or governmental agency in his locality receives the daily time signal from Washington, and regulate his clock accordingly. When other employees acquire sufficient confidence in the time clock to set their watches by it, the late problem will be lessened and a feeling of confidence will be fostered.

485. In-and-out time. There are many methods of mechanically recording employees' time. One system uses a recording clock with in-and-out racks (Fig. 182) and a time

card (Fig. 187) for each employee. Where was J. A. Rounds' card when he came to business on Monday morning? How did he record his arrival? What did he do with his card? What did he do when he went out for lunch? when he returned? when he left for the day? These cards are prepared by the junior assistants in the paymaster's department and are inserted in the racks at the beginning of each pay-roll week.

WEEK ENDING June 19, 19—

No.
NAME J. A. Rounds

	MORNING IN	NOON OUT	NOON IN	NIGHT OUT	EXTRA IN	EXTRA OUT	
M	7 04	M 12 01	M 12 48	M 4 32			8¼
TU	6 54	TU 12 02	TU 12 52	TU 4 35			8½
W	6 45	W 11 30	W 12 54	W 4 36			8
TH	6 57	TH 12 03	TH 12 56	TH 4 31			8½
FR	6 46	FR 12 02	FR 12 49	FR 4 30	FR 5 00	FR 9 05	14½
SA	6 47	SA 12 30					5½

TOTAL TIME 53 ¼ HRS.
RATE 36
TOTAL WAGES FOR WEEK $ 19.17

Fig. 187. In-and-out card. The time was recorded on a time clock similar to the one in Figure 182.

486. Extending time cards. At the close of the pay-roll week each time card must be extended; that is, the number of hours a day which the employee worked must be calculated from the in-and-out record, and the weekly total must be reckoned. Sometimes the rate per hour is entered and the amount of wages is shown. How long did J. A. Rounds work on Monday? (Fig. 187.) Tuesday? Wednesday? Thursday? Friday? Saturday? during the week? Give his rate per hour; total weekly wage.

487. The pay roll. The basic record in pay-roll work is the pay-roll sheet, copies of which appear in Figures 188 and 190. These are compiled from the daily labor reports or in-and-out cards, extended, and totaled by the junior clerks in the paymaster's department. Figure 188 is the form used by The Dresden China Company for its piece workers; Figure 190, for its time workers. Give the date of the pay-roll period on each chart. How many pieces did H. Green complete each day?

THE DRESDEN CHINA COMPANY

Payroll for Week Ending June 19, 19—

NO.	NAME	OPERATION NO.	NUMBER PRODUCED M	T	W	T	F	S	TOTAL	RATE	AMT.	DEDUCTIONS	PAY ROLL
51	M Stephens	324	17	18	19	16	15	8	96	.42	40 32		40 32
52	K Green	324	30	28	20	21	20	15	163	.18	29 34	1 50	27 84
53	T Wilson	322	20	22	19	18	21	11	111	.30	33 30		33 30
54	A B Lee	322	40	42	41	39	40	20	222	.15	33 30		33 30
													959 17

Fig. 188. A form of pay roll for piece work. Dotted line indicates items omitted.

How many hours did J. H. Dodds labor? What was the rate per piece agreed with Mr. Green? the rate per hour with Mr. Dodds? Give the weekly wage of each employee. How was it calculated? In some organizations time-and-half-time is allowed for all labor above an agreed number of hours per day, and double time for Sundays and holidays. Where

CHANGE MEMORANDUM

NO.	NAME	SALARY	GOLD $10	$5	NOTES $10	$5	$2	$1	SPECIE 50¢	25¢	10¢	5¢	1¢
1	J A Rounds	29 17			1	1	2				1	1	2
2	J H Dodds	29 10			2	1	2				1		
3	W P Shaff	25 80			2	1			1	1		1	
4	R D Smith	21 50			2			1	1				
51	M Stephens	40 32			4					1		1	2
52	K Green	27 84			2	1	1		1	1		1	4
53	T Wilson	33 30			3		1	1		1		1	
54	A B Lee	33 30			3		1	1		1		1	
		1827 52			165	26	12	11	10	16	24	17	27

Fig. 189. The denominations of money needed for the pay roll are recorded on the change memorandum.

THE DRESDEN CHINA COMPANY

Payroll for Week Ending June 19, 19—

NO.	NAME	M	T	W	T	F	S	REGULAR TIME HRS.	RATE	AMT.	OVERTIME HRS.	AMT.	WAGE	DEDUCT	PAY-ROLL
1	J. A. Rounds	8½	8½	8	8½	11½	5½	53¾	36	19 17			19 17		19 17
2	J. K. Dodds	8	8	8	8	8	4	40	70	28 00	2	2 10	30 10	1 00	29 10
3	W. R. Shaff	7	8	8	8	8	4	43	60	25 80			25 80		25 80
4	R. D. Smith	8	8	8	8	8	4	44	50	22 00			22 00	50	21 50
															141 35

Fig. 190. A form of pay roll for time work.

this is the custom separate columns are provided on the pay-roll sheet for the extra time and wage.

488. Change memorandum. By far the larger number of business organizations pay the executives or chiefs of departments by check and the other workers in cash. Consequently, the paymaster must not only know how much but also what denominations of bills and coins he will need to meet his pay roll. He may have a $100 bill and this sum may be sufficient to pay four stenographers, but the bill cannot be so used. Why not? The paymaster's clerks must, therefore, prepare, extend, and total a change memorandum (Fig. 189) from the pay-roll sheet. Give the purpose of each entry recorded on this memorandum. How may the accuracy of the memorandum be proved?

489. The bank slip. The change memorandum may be sent to the bank as a request to the paying teller for certain denominations of bills and coins. Banks, however, supply employers of labor with pay-roll bank slips similar in form to Figure 191. One of these slips is compiled by the pay-roll clerk from the totals appearing on the memorandum and is forwarded to the bank with the pay-roll check.

490. The pay-roll check. Figure 192 is a pay-roll check. This check is similar in form to other checks. It is The

Dresden China Company's written order on the Penn Nationa. Bank to pay $1827.52 to Walter Johnson, the paymaster.

491. Filling the envelopes or making out the pay checks. This is a very important job and errors must not occur. Each worker is entitled to his correct wage. Fortunately a check on the work is at hand. For if the change memorandum is correct, there will be sufficient money of all denominations to fill the envelopes, with not one penny over. It is a good plan for one clerk to mark each envelope with the employee's name and wage, a second to fill, and a third to verify and seal it. Money machines may be purchased which will fill the envelopes and add the amounts for a proof of the accuracy of the work.

PENN NATIONAL BANK

MEMORANDUM FOR PAY ROLL

June 19, 19–

For The Dresden China Co.

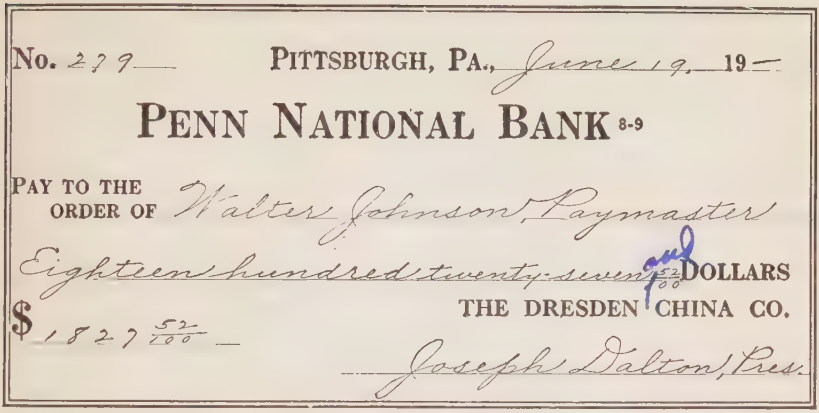
GOLD			
10			
5			
NOTES			
20			
10	1	6 5 0	
5		1 3 0	
2		2 4	
1		1 1	
SPECIE			
SILVER DOLLARS,			
" 50c		5	0 0
" 25c		4	0 0
" 10c		2	4 0
" 5c			8 5
" 1c			2 7
TOTAL	1	8 2 7	5 2

Fig. 191. The denominations of money needed for the pay roll are copied from the change memorandum to this bank slip.

Where employees are paid by check, the paymaster's clerks must observe rigidly the suggestions for drawing checks given in Section 52.

492. Distribution of pay envelopes or checks. In some business organizations the chief of each department distributes the weekly envelopes. In others, the employees call at the paymaster's office at a specified time for their wages. In others, the paymaster, or one or more of his trusted senior assistants, carries the envelopes or checks to the workers on

the various jobs. Whatever method is used, the signature or "mark" of each employee usually is recorded in receipt of payment before his wage is given to him.


No. 279 PITTSBURGH, PA., June 19, 19—

PENN NATIONAL BANK 8-9

PAY TO THE ORDER OF Walter Johnson, Paymaster

Eighteen hundred twenty-seven and 52/100 DOLLARS

$1827.52/100

THE DRESDEN CHINA CO.

Joseph Dalton, Pres.

Fig. 192. The pay-roll check.

QUESTIONS

1. Distinguish between the timekeeper and the paymaster. 2. What is meant by division of labor? 3. Give an illustration of each of the personal qualities listed in Section 477. 4. Which of the duties of the paymaster's department listed in Section 478 would be assigned to a junior helper? a senior assistant? 5. Do the advantages of the time-payment or day-wage plan outweigh its disadvantages? Explain. What kind of workers are usually paid by this system? 6. Distinguish between straight piece work and differential piece work. Which is preferable? 7. How may the time clock, if properly regulated, promote efficiency within an organization? 8. What are the advantages of the in-and-out card over the time sheet? 9. What is meant by "extending time cards"? 10. Should the workmen prepare and extend their own time cards? Explain. 11. How does a pay-roll sheet for piece workers differ from a pay-roll sheet for time workers? 12. Give the use of each of the following forms: the pay roll, the change memorandum, the bank slip, the pay-roll check. 13. Distinguish between a deposit slip and a pay-roll bank slip. 14. Why are some employees paid by check, others by bills and coins?

TOPICS FOR DISCUSSION AND INVESTIGATION

1. "Every day a boy or girl spends in school is worth ten dollars in increased future earnings." Discuss this statement. 2. Pupils in

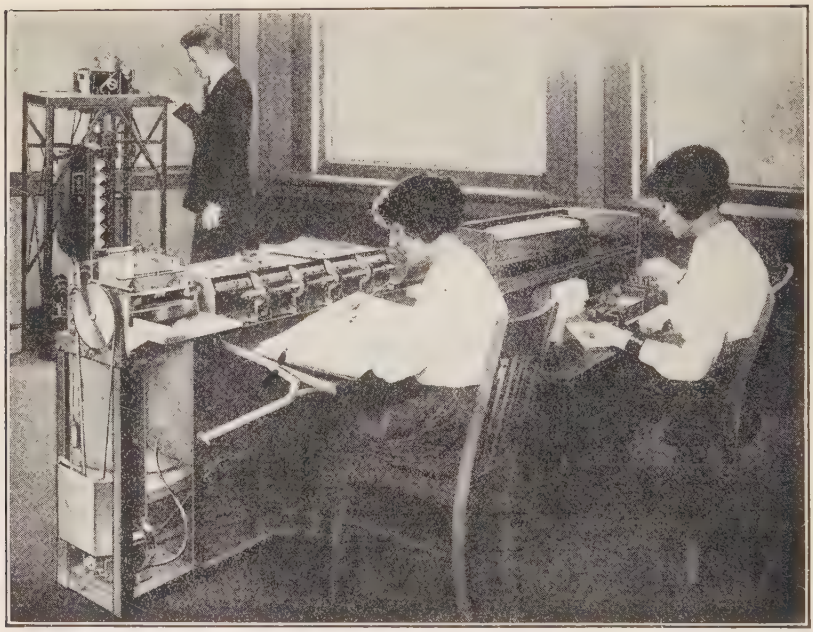


Fig. 193. Electrical tabulating and sorting machines for use in pay-roll work.

school receive their wages monthly. These wages are called "*marks.*" Do you agree with this statement? How may one "get a raise"? 3. "I shall be a few minutes late, ring in for me," telephoned an employee to his friend, the timekeeper. How would you handle this request? 4. Some employers use a wage system which includes a bonus. Find how such a plan operates. What are its advantages? disadvantages? 5. Fill the blanks in the following outline:

WAGE SYSTEMS

PLAN	DEFINITION	ADVANTAGES	DISADVANTAGES
Time Payment or Day Wage			
Straight Piece Work			
Differential Piece Work			

6. Find out about the daily time signal to the locality in which you live. 7. Make a report on time-recording devices other than Figure 182.

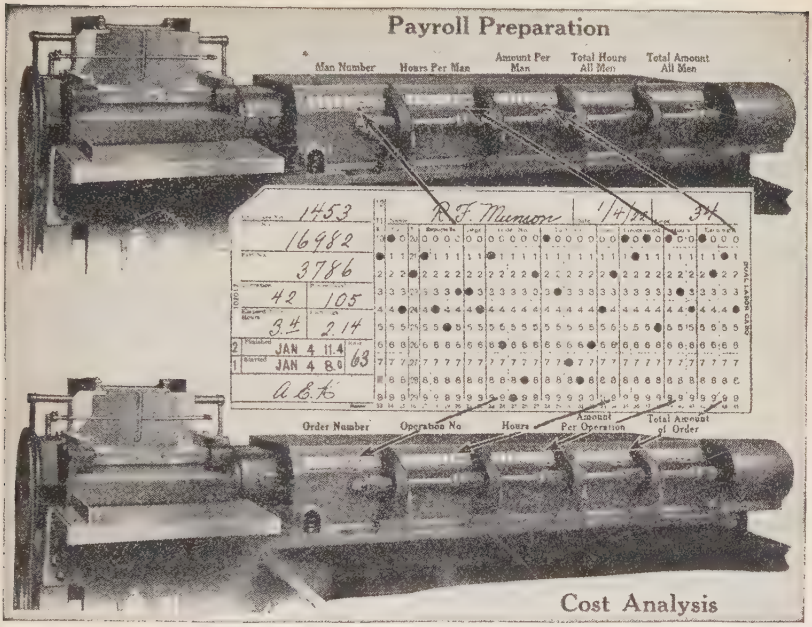


Fig. 194. A job time tabulating card.

8. Your monthly report is your individual pay-roll sheet. Explain. 9. Find out about the operation of the various types of pay-roll money machines. 10. A laborer cannot write. How will he sign for his money?

PROBLEMS

1. The following is the record of in-and-out time for 13 employees. Compute the time that each worked.

	In	Out	In	Out		In	Out	In	Out
(*a*)	8:00	12:01	12:58	5:01	(*g*)	6:59	11:01	11:57	4:02
(*b*)	7:28	11:31	12:00	4:32	(*h*)	7:29	11:31	12:28	4:31
(*c*)	6:59	12:02	1:00	5:02	(*i*)	8:00	12:01	12:59	2:32
(*d*)			12:59	4:31	(*j*)	6:59	10:02	12:00	4:31
(*e*)	7:59	11:31			(*k*)	7:28	11:30	12:15	4:45
(*f*)	7:29	12:02	1:00	5:31	(*l*)	7:00	12:31		
					(*m*)	7:59	12:01	12:28	3:46

2. Prepare a pay roll similar to the following. Fill in and supply the missing data. In this problem a full day is 8 hours. Overtime is paid for at the rate of 1½ times the regular rate.

	Name	M	T	W	T	F	S	Regular Time			Overtime		Wage	Deduct	Pay roll
								Hrs.	Rate	Amt.	Hrs.	Amt.			
101	T. Smith.....	8	9	9	8	8	4	44	60	26 40	2	1 80	28 20	2 00	26 20
102	R. Day.....	8	4	9	8	9	4		61					4 75	
103	W. Baker.....	8	8	9	10	8	4		58						
104	W. A. McBane	9	9	8	10	10	4		63						
105	H. A. Harris..	8	9	7	7	9	4		60						
106	L. Cloud.....	9	10	8	8	8	4		59						
107	G. Goodwin...	9	10	10	4	8	4		58						
108	Z. Zahn.....	8	4	10	10	10	4		60						
109	C. Kunz.....	10	10	10	11	8	4		64					1 75	
110	O. Davis.....	8	8	9	8	8	4		61					4 00	

Prepare a change memorandum, a pay-roll bank slip, and a pay-roll check for the above pay roll.

3. Prepare a pay roll similar to the one in Problem 2 and enter the following information. In this problem a full day is 8 hours. Overtime is paid for at the rate of 1½ times the regular rate.

No.	Employee's Name	Hourly Rate
21	L. J. Williams	45
22	C. L. Seasholes	41
23	A. C. Jordan	35
24	J. R. Murphy	42
25	T. C. Clifford	42
26	Walter Mann	44
27	Henry Brown	41
28	Walter Benson	40
29	C. B. McCann	48
30	P. C. Belfield	46

The following record shows the number of hours worked by each employee for one week.

Monday: 21, 8 (Represents L. J. Williams, Workman No. 21, 8 hours.) 22, 8; 23, 8; 24, 8; 25, 8; 26, 8; 27, 8; 28, 8; 29, 8; 30, 8.

Tuesday: 21, 9; 22, 8; 23, 9; 24, 10; 25, 8; 26, 8; 27, 11; 28, 9; 29, 8; 30, 8.

Wednesday: 21, 7; 22, 8; 23, 9; 24, 9; 25, 10; 26, 8; 27, 9; 28, 8; 29, 8; 30, 8.

Thursday: 21, 8; 22, 11; 23, 9; 24, 7; 25, 8; 26, 9; 27, 6; 28, 6; 29, 4; 30, 8.

Friday: 21, 9; 22, 9; 23, 8; 24, 8; 25, 9; 26, 10; 27, 8; 28, 9; 29, 4; 30, 4.

Saturday: 21, 4; 22, 4; 23, 5; 24, 4; 25, 5; 26, 4; 27, 4; 28, 4; 29, 4; 30, 4.

The following amounts have been advanced to:

L. J. Williams, $4.25; C. B. McCann, $5.00
P. C. Belfield, 3.50; A. C. Jordan, 1.50

Prepare pay roll, change memorandum, pay-roll bank slip, and pay-roll check.

4. Complete the following pay roll. Prepare a change memorandum, bank slip, and pay-roll check.

No.	Name	Operation No.	Number Produced						Total	Rate	Amt.	Deductions	Pay-roll
			M	T	W	T	F	S					
51	B. Green		20	21	19	21	20	10	111	30	33 30	3 00	
52	A. Lang		8	9	8	8	9	5		65		1 75	
53	H. Shaff		30	28	29	31	30	15		22			
54	R. Palen		18	19	22	19	21	11		29			
55	P. Maher		10	9	10	11	10	5		60		4 00	
56	O. Harvey		40	38	41	41	30	21		21			
57	J. Street		60	61	59	59	60	30		14			
58	M. Gross		19	19	19	18	20	10		31			
59	C. Jones		29	28	36	31	28	16		23		2 75	
60	R. Burch		9	9	8	8	9	5		64			

5. Complete the following pay roll, and prepare a change memorandum, bank slip, and pay-roll check. The following rates apply.

No. of Pieces	Rate	No. of Pieces	Rate
20	15	24	21
21	16	25	22
22	19	26	24
23 (Standard)	20	27	26

		Monday		Tuesday		Wednesday		Thursday		Friday		Saturday		Total	Deductions
No.	Name	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.		
1	S. Brown	23	4 60	22	4 18	23	4 60	24	5 04	20	[illegible]	20	3 00	[illegible]	4 00
2	A. Kerr	22		23		20		21		24		21			
3	Z. Cohn	20		21		20		21		22		20			
4	R. Zahn	25		24		23		24		23		21			
5	B. Gray	24		23		24		24		25		20			

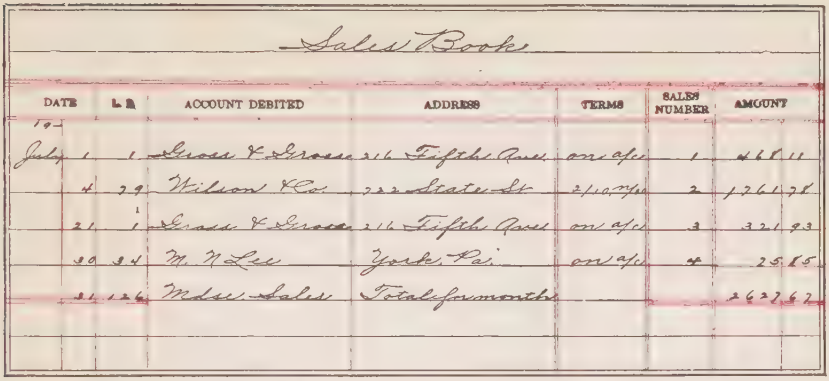
Chapter XXIX

THE ENTRY CLERK

493. The bookkeeper's helper. All the employees in any establishment who keep the records are commonly known as *bookkeepers*. The bookkeeper, however, should be a trained specialist who understands the theory of accounts and its practical application to the particular system in use in his organization. Where the volume of the business is small, he records the purchases, sales, and expenses, balances his books at regular intervals, and draws up statements of the condition of the business or any of its departments or activities as required by the executive. In a large establishment, the bookkeeper is a responsible chief under the office manager with subordinates to handle the details of recording the transactions of the business. Of these subordinates, the entry clerks, who enter or record the sales, purchases, cash receipts and cash payments on the books, are probably the most numerous.

494. Qualifications of entry clerk. The dictionary defines entry as the "item written in a list or record." The entry clerk is the employee who does this writing or makes these entries. The tools of his job are pen, pencil, ruler, ink, and the various blank books of record. Like all good workmen, he must acquire a mastery of these tools, not only that his records may be legible, but that they may be neat, systematic, accurate and speedy in the doing. This is no small attainment, but it can be acquired by anyone who will constantly strive to better his handwriting, to figure quickly and accurately, and to develop a sense of artistic arrangement and neatness of composition.

495. Books of entry. The books on which the entry clerk



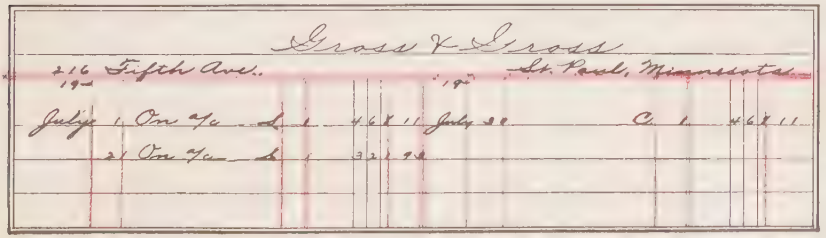
Sales Book

DATE	L. F.	ACCOUNT DEBITED	ADDRESS	TERMS	SALES NUMBER	AMOUNT
19—						
July 1	1	Gross & Gross	216 Fifth Ave.	on a/c	1	46 11
" 4	29	Wilson & Co.	222 State St.	2/10 n/30	2	1261 98
" 21	1	Gross & Gross	216 Fifth Ave.	on a/c	3	321 93
" 30	34	M. N. Lee	York, Pa.	on a/c	4	25 85
" 31	126	Mdse. Sales	Total for month			2627 67

Fig. 195. Each sale should be entered in the sales book in the order in which it occurred. Name and give the use of each column in this sales book.

records the transactions of the business vary with different establishments. Most organizations, however, need a sales book, a customers' ledger, a purchases book, a creditors' ledger, a cash receipt record, and a cash payment record.

496. Sales book. A duplicate of the customer's sales slip or bill is always sent to the bookkeeping department. Here it may be securely fastened in a sales binder and held until the entry clerk, or ledger clerk, as he is frequently called when acting in this capacity, has an opportunity to charge the customer's account. Or the data on the bill may be transferred to a sales book ruled and headed in a manner similar to Figure 195. What was the date of the first sale made to Gross & Gross? the second? Where may their account be found in the ledger? Locate their place of business.



Gross & Gross

216 Fifth Ave. St. Paul, Minnesota.

19—

July 1 On a/c L. 1 46 11 July 30 A. 1 46 11

" 21 On a/c L. 1 321 93

Fig. 196. A ledger account with a customer.

Cash Receipts

DATE 19–	L.F.	ACCOUNT CREDITED	EXPLANATION	ACCOUNTS RECEIVABLE	DISCOUNT ON SALES	NET RECEIPTS
July 12	29	Wilson & Co	2/10, n/30	126 78	2 54	124 24
30	1	Gross & Gross	Inv 7/1	468 11		468 11
30	34	M. N. Lee	On a/c	50 00		50 00
				2279 89	2 54	2242 65

Fig. 197. A cash-receipts record.

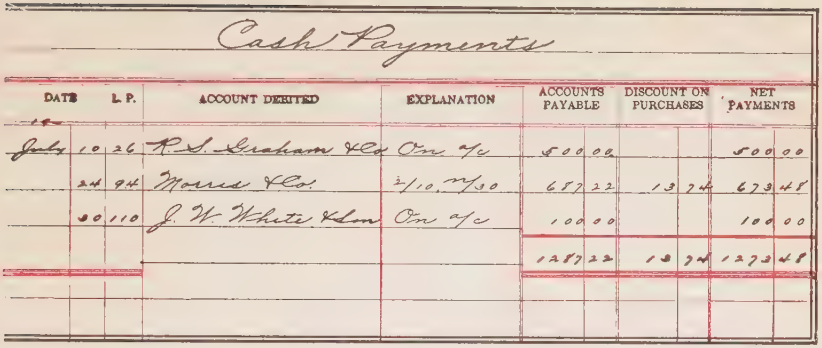
Give the terms of each sale; the sales number; the amount. At regular intervals this sales book is pencil footed, ruled, totaled, and closed as shown in Figure 195.

497. Customers' ledger. It would be extremely difficult to determine the exact amount of the sales to Gross & Gross if one had to sort them from many pages of a sales book, or from bills in a sales binder. Consequently the entry clerk must transfer the records of the transactions with each customer to a ledger account under his name (Fig. 196). A ledger account is divided into halves by a triple line. The left is

Purchases Book

DATE 19–	L.F.	ACCOUNT CREDITED	ADDRESS	TERMS	INVOICE NUMBER	AMOUNT
July 1	26	R. S. Graham & Co	1321 Race St	on a/c	1	991 11
16	94	Morris & Co	316 Market St	2/10, n/30	2	657 22
25	26	R. S. Graham & Co	1321 Race St	on a/c	3	1914 26
30	110	J. H. White & Sons	Lincoln, Nebr.	on a/c	4	1932 68
31	125	Net purchases	Total for month			9795 27

Fig. 198. Each purchase should be entered in the purchases book in the order in which it occurred. Name and give the use of each column in this purchases book.



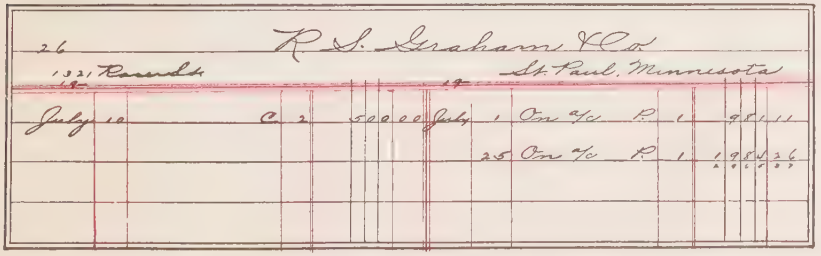
Cash Payments

DATE	L. P.	ACCOUNT DEBITED	EXPLANATION	ACCOUNTS PAYABLE	DISCOUNT ON PURCHASES	NET PAYMENTS
19—						
July 10	26	R. S. Graham & Co.	On a/c	500 00		500 00
24	94	Morris & Co.	2/10, n/30	657 22	13 74	643 48
30	110	J. W. White & Son	On a/c	100 00		100 00
				1257 22	13 74	1243 48

Fig. 199. A cash-payments record.

called the "debit side," the right, the "credit side." Why were the sales of July 1 and 21 entered on the left side of Gross & Gross's account?

498. Purchases book. The record of each purchase on account made by the business is generally copied from the invoice which comes with the shipment or through the mail, to the purchases book. Except for the substitution of "account credited" for "account debited," the purchases book (Fig. 198) is similar in rulings, headings, methods of making entries, totaling, and balancing to the sales book. Give the date of Morris & Co.'s first shipment; their page in the creditors' ledger; their address; the terms of the purchase; the invoice number; the amount of the invoice. Copies of invoices may be fastened in a binder, and entries may be made directly from them to the creditors' accounts.



26 R. S. Graham & Co.

1921 Records St. Paul, Minnesota

19—						19—					
July	10		C. 2	500	00	July	1	On a/c	P.	1	98 11
							25	On a/c	P.	1	197 26

Fig. 200. A ledger account with a creditor.

499. Creditors' ledger. From the purchases book the entries are transferred to the respective dealers' accounts in the creditors' ledger. Trace the transfers from the purchases book to R. S. Graham & Co.'s account (Fig. 200). If the creditors' ledger is kept posted to date the exact amount owing each manufacturer or merchant with whom the business deals may be determined at a glance.

500. Cash-receipts record. The various kinds of cashbooks and their uses were explained in Sections 76 to 81. In business every entry made in a cashbook must be transferred to its proper ledger account. The entry clerk lists his cash receipts on a form similar to Figure 197, and notes thereon the date each remittance was received, the ledger page where posted, the customer's name, terms, gross amount of the bill, discount, and the net amount received. He then credits each account in the customers' ledger from the cash-receipts book, as can be observed by tracing the remittance of Gross & Gross from Figure 197 to Figure 196. At the end of the week, or the last business day of the month, he rules, totals, and closes his cash-receipts book as shown in Figure 197.

501. Cash-payments record. The cash-payments record should contain the date of each payment, the ledger page where posted, the creditor's name, terms, total amount of invoice, discount taken, and the net sum paid. The creditor's ledger account is then charged (debited) for the sum remitted, as can be seen by tracing the payment to R. S. Graham & Co. from Figure 199 to Figure 200. Finally, the cash payments record is ruled, totaled, and closed as shown in Figure 199.

502. Statements. A statement is an abstract of an account showing the balance due. Good business practice requires that a statement (Fig. 36) shall be rendered monthly to each customer showing the condition of his account as it appears in the ledger. The statement should show the customer's balance from the previous month, the date and amount of each bill rendered, the date and amount of each credit granted, and the balance due.

QUESTIONS

1. What possibilities of advancement are open to the entry clerk? 2. What is an "entry"? 3. List the qualifications necessary for a successful entry clerk. Which one is most important? 4. Name the books which the entry clerk uses. Give one use for each book. 5. Give two forms in which sales records may be kept. 6. Why is it necessary to keep ledger accounts when a complete record of all sales is either in the sales binder or the sales book? 7. Examine Figure 195. Close the book and write a complete set of directions for the closing of a sales book. 8. Explain each entry in Figures 196, 197, 198, and 199. 9. Why must cash receipts be credited to their proper accounts? Why not depend entirely on the cash receipt record? 10. Distinguish between a cash receipt and a cash payment record.

TOPICS FOR DISCUSSION AND INVESTIGATION

1. What training must one have to become a competent bookkeeper? What facilities are offered in your community to secure this training? 2. "He is neat and systematic." Are these traits desirable? How may they be acquired? 3. What are the advantages of the sales book over the bound bills? the purchases book over the bound invoices? 4. Distinguish between debit and credit. 5. "Posting" is a familiar term in bookkeeping. What does it mean? 6. Discuss the junior position of entry clerk under the following headings: (*a*) Duties; (*b*) Educational requirements; (*c*) Character of work; (*d*) Opportunities for promotion.

PROBLEMS

1. Record the following bills in a sales book. Number the bills consecutively as they are entered. Close and rule the sales book. Submit the work to your instructor for examination and approval.

Aug. 1. Bill of S. H. White, 321 Green Street, on account, $546.27.

2. Bill of R. S. Williams, 742 North Broad Street, 2/10, n/30, $1,678.25.

3. Bill of M. B. Wray, 3316 Cedar Street, 2/10, n/60, $142.98.

4. Bill of William Sullivan & Co., 681 Fairmount Avenue, on account, $326.22.

5. Bill of Quinn & Herron, 633 Opal Street, cash less 2%, $1,296.19.

6. Bill of S. H. White, 321 Green Street, on account, $396.17.

8. Bill of M. B. Wray, 3316 Cedar Street, 2/10, n/60, $251.92.

Aug. 9. Bill of R. S. Williams, 742 North Broad Street, 2/10, n/30, $981.35.
10. Bill of S. H. White, 321 Green Street, on account, $98.22.
11. Bill of Quinn & Herron, 633 Opal Street, cash less 2%, $741.77.
12. Bill of William Sullivan & Co., 681 Fairmount Avenue, on account, $470.70.
13. Bill of M. B. Wray, 3316 Cedar Street, 2/10, n/60, $256.65.

2. Open customers' ledger accounts and post the sales book entries in Problem 1. Use ledger paper. Keep the work for a subsequent exercise.

3. Record the following bills in the sales book used for Problem 1. Close and rule the sales book. Submit the work to the instructor for examination and approval.

Sept. 1. Bill of W. R. Hughes, 252 Adler Street, on account, $125.75.
2. Bill of M. Laster & Co., 338 Federal Street, 2/10, n/30, $411.78.
3. Bill of A. L. Mower, 111 Camac Street, 4/10, n/60, $328.55.
5. Bill of Silverman & Co., 1617 Pine Street, cash, $142.37.
5. Bill of W. R. Hughes, 252 Adler Street, on account, $76.10.
7. Bill of A. L. Mower, 111 Camac Street, 4/10, n/60, $35.19.
9. Bill of Silverman & Co., 1617 Pine Street, cash, $209.99.
12. Bill of M. Laster & Co., 338 Federal Street, 2/10, n/30, $125.45.
13. Bill of W. R. Hughes, 252 Adler Street, on account, $218.26.

4. Open customers' ledger accounts and post the sales book entries in Problem 3. Use ledger paper. Keep the work for a subsequent exercise.

5. Record the following invoices in a purchases book. Number the invoices consecutively as they are entered in the purchases book. Close and rule the purchases book. Submit the work to your instructor for examination and approval.

Aug. 1. Invoice of F. R. Ellis Company, 872 Girard Avenue, on account, $375.63.

Aug. 2. Invoice of M. F. King & Co., Inc., 461 Brown Street, 2/10, n/30, $276.57.
3. Invoice of James P. Paxton & Son, 17 Euclid Avenue, on account, $439.98.
4. Invoice of W. S. Snyder & Bro., 2411 Ridge Avenue, 2/10, n/30, $623.17.
5. Invoice of A. A. Yerkes, 301 Front Street, on account, $98.67.
6. Invoice of F. R. Ellis Company, 872 Girard Avenue, on account, $192.44.
8. Invoice of James P. Paxton & Son, 17 Euclid Avenue, on account, $210.01.
9. Invoice of W. S. Snyder & Bro., 2411 Ridge Avenue, 2/10, n/30, $337.32.
10. Invoice of A. A. Yerkes, 301 Front Street, on account, $165.80.
11. Invoice of M. F. King & Co., Inc., 461 Brown Street, 2/10, n/30, $442.24.
12. Invoice of F. R. Ellis Company, 872 Girard Avenue, on account, $165.65.
13. Invoice of James P. Paxton & Son, 17 Euclid Avenue, on account, $176.67.

6. Open creditors' ledger accounts and post the purchases book entries in Problem 5. Use ledger paper. Keep the work for a subsequent exercise.

7. Record the following invoices in the purchases book used for Problem 5. Close and rule the purchases book. Submit the work to the instructor for examination and approval.

Sept. 1. Invoice of D. S. Arnold & Son, 421 High Street, on account, $421.72.
2. Invoice of H. B. Leedom & Co., Inc., 1618 Adams Street, 2/10, n/30, $391.27.
3. Invoice of Spencer & Co., 168 Fifth Avenue, on account, $630.48.
5. Invoice of A. B. Taggart & Bro., 2731 Spruce Street, 2/10, n/30, $78.42.
5. Invoice of Spencer & Co., 168 Fifth Avenue, on account, $210.24.
7. Invoice of D. S. Arnold & Son, 421 High Street, on account, $110.90.
9. Invoice of H. B. Leedom & Co., Inc., 1618 Adams Street, 2/10, n/30, $640.30.
12. Invoice of A. B. Taggart & Bro., 2731 Spruce Street, 2/10, n/30, $242.64.

Sept. 13. Invoice of D. S. Arnold & Son, 421 High Street, on account, $148.32.

8. Open creditors' ledger accounts and post the purchases book entries in Problem 7. Use ledger paper. Keep the work for a subsequent exercise.

9. Enter the following checks which were received from customers in a cash-receipts book. Close and rule the cash-receipts book. Submit the work to the instructor for examination and approval.

Aug. 1. S. H. White, $546.27, on account.
5. William Sullivan & Co., $326.22, on account.
8. Quinn & Herron, check for bill of August 5, $1,296.19, less 2%.
10. S. H. White, $396.17, on account.
12. R. S. Williams, check for bill of August 2, $1,678.25, less 2%.
13. M. B. Wray, check for bill of August 3, $142.98, less 2%.
15. Quinn & Herron, check for bill of August 11, $741.77, less 2%.
18. M. B. Wray, check for bill of August 8, $251.92, less 2%.
22. S. H. White, $50.00, on account.
23. M. B. Wray, check for bill of August 13, $256.65, less 2%.
27. William Sullivan & Co., $300.00, on account.

10. Transfer the remittance or remittances from each customer which were recorded in Problem 9 to his ledger account which was prepared in Problem 2. Prepare a statement of each customer's account.

11. Enter the following checks from customers in the cash-receipts book used for Problem 9. Close and rule the cash-receipts book. Submit the work to the instructor for examination and approval.

Sept. 3. W. R. Hughes, $125.75, on account.
5. Silverman & Co., $142.37 on account.
10. Silverman & Co., $209.99, on account.
12. M. Laster & Co., check for bill of September 2, $411.78, less 2%.
13. A. L. Mower, check for bill of September 3, $328.55, less 4%.
21. M. Laster & Co., check for bill of September 12, $125.45, less 2%.

12. Transfer the remittance or remittances from each customer which were recorded in Problem 11, to his ledger account which was prepared in Problem 4. Prepare a statement of each customer's account.

13. Enter the following cash payments made to creditors in a cash-payments book. Close and rule the cash-payments book. Submit the work to the instructor for examination and approval.

Aug. 4. F. R. Ellis Company, $375.63, on account.
6. James P. Paxton & Son, $439.98, on account.
12. M. F. King & Co., Inc., check for invoice of August 2, $276.57, less 2%.
13. W. S. Snyder & Bro., check for invoice of August 4, $623.17, less 2%.
15. A. A. Yerkes, $98.67, on account.
15. F. R. Ellis Company, $192.44, on account.
18. James P. Paxton & Son, $210.01, on account.
20. M. F. King & Co., Inc., check for invoice of August 11, $442.24, less 2%.
29. James P. Paxton & Son, $176.67, on account.

14. Transfer each payment made on account in Problem 13 to its proper ledger account which was prepared in Problem 6.

15. Enter the following cash payments made to creditors in the cash-payments book used for Problem 13. Close and rule the cash-payments book. Submit the work to the instructor for examination and approval.

Sept. 5. D. S. Arnold & Son, $421.72, on account.
8. Spencer & Co., $330.48, on account.
12. H. B. Leedom & Co., Inc., check for invoice of September 2, $391.27, less 2%.
14. A. B. Taggart & Bro., check for invoice of September 5, $78.42, less 2%.
15. Spencer & Co., $300.00, on account.
17. D. S. Arnold & Son, $110.90, on account.
21. A. B. Taggart & Bro., check for invoice of September 12, $242.64, less 2%.

16. Transfer each payment made on account in Problem 15 to its proper ledger account which was prepared for Problem 8.

APPENDIX A

FUNDAMENTALS OF BUSINESS ARITHMETIC

I. INTRODUCTION

1. Fundamental processes. Business executives demand of their employees a high degree of accuracy and speed in the handling of figures as well as legibility and neatness of arrangement. Students of business must meet this demand by grounding themselves thoroughly in the fundamental processes of arithmetic. These fundamentals include:

Addition	Division	Percentage
Subtraction	Fractions	Discount
Multiplication	Aliquot parts	Simple interest

II. ADDITION

1. First drill tables. The following table contains the forty-five combinations of two numbers, each of which is less than ten. Practice until you can state these sums in twenty seconds.

1	3	4	2	5	7	1	6	3	1	9	2	5	3	1
2	4	7	3	7	8	1	7	9	6	9	4	9	7	4
7	4	3	1	5	1	5	4	2	8	3	2	4	6	7
9	4	8	7	5	3	8	9	6	9	5	2	5	8	7
1	2	3	8	1	2	3	4	1	2	6	4	6	2	5
5	8	6	8	9	5	3	6	8	9	6	8	9	7	6

2. Second drill table. Practice until you can state the sum of each of the following problems without hesitation. Do not repeat the numbers to be added.

25	67	19	78	35	99	51	18	83	27	64	95	79	34	88	16
6	8	5	4	9	7	9	3	8	5	6	7	2	9	5	8
49	27	97	69	39	76	57	14	26	96	47	68	87	59	18	81
2	7	9	3	8	4	9	8	8	7	9	9	8	5	5	9
77	27	14	68	76	35	28	98	53	46	87	18	64	89	36	59
7	8	7	9	9	6	8	9	9	7	6	8	9	6	9	8

3. Adding by grouping. The ability to see instantly groups of numbers the sum of which is ten, or a multiple of ten, gains speed in addition. Use group addition to find the sum of each of the following problems:

(a)

3	9	6	5	7	3	7	8	2	3	9	5	2	3	4
7	1	8	4	2	9	6	3	9	4	9	4	9	6	8
1	4	5	3	8	4	2	7	6	9	5	6	7	7	4
8	1	5	8	8	8	4	5	8	2	9	6	9	7	8
7	8	2	4	3	8	5	9	7	9	3	7	5	9	4

(b)

7	8	5	9	4	3	6	9	8	2	7	9	1	7	3
3	9	6	5	6	3	5	5	1	3	8	4	3	9	5
7	1	8	7	6	7	9	7	5	7	3	8	9	9	4
8	6	3	3	7	7	4	6	4	9	5	6	7	3	4
2	3	5	6	8	3	3	2	8	6	6	7	3	9	2

(c)

8	8	9	4	6	2	7	5	4	8	3	4	7	3	6
5	8	3	5	7	5	9	6	2	7	7	9	5	2	9
6	9	7	8	8	7	6	5	8	7	9	6	6	6	4
4	9	5	9	2	4	3	3	9	6	8	9	5	4	8
9	4	8	6	6	9	4	8	8	4	8	2	8	7	8

(d)

7	5	8	4	7	4	1	6	9	5	7	1	6	9	7
2	3	2	2	5	9	4	7	7	8	3	9	6	4	3
1	2	6	4	8	7	5	4	6	7	9	8	8	7	9
4	9	6	7	6	8	7	9	5	9	9	9	7	6	8
7	9	7	7	9	6	7	8	9	6	8	8	7	6	9

(e)

8	3	5	4	9	6	9	3	2	8	1	6	9	6	4
4	4	3	1	1	1	9	2	7	1	5	2	4	3	0
8	3	2	5	8	3	2	5	1	1	4	2	3	6	6
5	2	3	5	2	2	6	3	6	0	7	2	7	1	9
4	6	6	6	7	6	4	7	3	6	3	5	4	3	9
9	5	6	7	3	8	3	8	1	4	7	3	6	4	1

4. Proofs of addition. Add and prove each of the following problems by adding upwards and then downwards.

(a)	(b)	(c)	(d)	(e)
2542	3726	4517	2652	6729
5671	4652	2778	3263	4324
9843	5913	3215	5778	5566
1234	3874	6133	7427	9883
2678	7211	7426	8856	6857

5. Cashier's method. Cashiers, bank clerks, and others whose work is subject to frequent interruption check the accuracy of addition by recording the total of each column separately. Two methods are in common use as shown in the illustration. Prove each of the following problems by the cashier's method.

Check	Add	Check
19	3776	18
27	5671	25
25	9843	27
18	2678	19
21968	21968	21968

(a)	(b)	(c)	(d)	(e)
2767	9274	1834	2471	3946
3244	3864	9726	1237	6603
9633	2647	1183	7463	4794
2346	5217	9227	1912	3703
8729	7564	2364	4246	4086
3064	7483	6923	7834	4274
4183	4693	2647	6094	6693

(f)	(g)	(h)	(i)	(j)
$34.50	$64.32	$158.39	$762.24	$2950.12
22.75	145.11	300.30	87.13	7.60
51.99	76.37	98.53	44.35	404.50
6.49	19.68	1.39	170.42	3687.53
46.24	32.23	133.34	603.04	321.79

(k)	(l)	(m)	(n)	(o)
$76.72	$ 50.55	$398.15	$1205.29	$ 137.42
44.23	115.14	536.03	30.37	9.98
33.69	37.67	9.31	224.76	4726.65
64.37	86.91	27.29	2987.78	391.26
29.78	47.18	.50	202.37	12.72
46.03	9.98	28.43	1.89	1497.02
83.14	217.73	56.00	87.87	878.49
38.64	47.87	319.87	457.83	1038.83

6. Casting out 9's. This method of proving addition is shown in the illustration. The excess of 9's is found by adding the digits composing each number. If the sum is two or more digits, they are added until a result of one digit is reached. These results are added for a total, and the excess of 9's is found by adding the digits of the total. The resulting figure, 8, equals the excess of 9's in the answer. Casting out 9's will not detect an omission of 9 or any multiple of 9, a transposition of figures, or the writing of a figure in the wrong column.

Illustration

546	= 15	= 6
103	=	4
814	= 13	= 4
213	=	6
483	= 15	= 6
2159		26
8	=	8

Prove each problem in Section 5 by casting out 9's.

7. Writing from dictation. The following method will be found most helpful in calling numbers. $35.17 should be read thirty-five dollars, seventeen; $300.55, three hundred dollars, fifty-five; $1887.38, eighteen hundred eighty-seven dollars, thirty-eight; $8.13, eight dollars thirteen; $.55, fifty-five cents. It will be observed that the word *cents* is omitted except where there are no dollars.

Write from dictation and find the sum of each of the following problems, then find the grand total.

(a)	$12.41,	$62.18,	$92.16,	$86.41,	$21.41,	$10.10.
(b)	32.64,	511.14,	37.67,	86.91,	32.23,	4.96.
(c)	398.15,	300.30,	53.89,	1.03,	343.13,	354.48.
(d)	2120.95,	6.76,	540.04,	8.98,	1497.03,	17.87.
(e)	427.13,	8.98,	2665.47,	126.39,	7029.41,	849.86.

8. Horizontal addition. In the preparation of statistical reports and comparative statements, horizontal as well as vertical addition is frequently necessary.

Add both vertically and horizontally and prove results.

(a)

										Total
35	46	135	64	3	16	1728	91	121	17	
27	87	25	75	421	67	383	56	9	08	
132	14	321	52	387	48	76	50		50	
87	26	9	19	43	73	5002	76	2368	63	
23	15	79	81	648	04	606	43	589	02	

(b)

										Total
6	5	5	6	9	8	7	6	3	1	
4	7	2	1	2	3	4	4	5	8	
8	9	8	9	8	9	1	9	7	4	
8	1	5	6	8	7	6	5	8	6	
3	4	9	5	9	8	7	6	4	7	
6	5	6	5	4	5	6	7	5	2	
8	6	5	4	3	5	5	6	8	3	
7	7	9	2	7	4	8	6	7	4	
9	5	6	4	2	6	5	5	4	9	
9	8	5	6	9	4	8	4	1	8	
3	5	3	7	7	7	7	4	5	5	

(c)

									Total
8	6	8	4	9	3	5	2	7	
7	8	4	3	7	8	9	9	6	
3	7	7	7	8	7	3	6	5	
5	8	5	9	5	6	7	8	4	
9	4	4	5	6	5	9	7	8	
4	3	9	6	7	4	7	6	2	
9	6	9	8	3	7	3	8	0	
4	5	5	5	8	3	8	5	1	
2	7	4	7	3	9	5	4	8	
7	6	7	4	7	3	5	7	6	
8	3	6	5	7	4	8	9	7	

III. SUBTRACTION

1. First drill table. The first step in learning to subtract quickly and accurately is to become familiar with the 45 fundamental combinations in which a single figure can be subtracted from another single figure. Drill upon this table until the differences can be expressed without hesitation.

8	7	8	9	5	4	7	3	7	9	6	8	1	9	4
1	4	5	1	5	3	6	1	2	6	1	2	1	3	4
2	7	8	5	9	2	6	7	6	3	8	9	4	9	8
1	3	8	2	8	2	3	1	5	3	7	2	1	9	6
7	5	3	7	4	6	9	6	5	8	9	8	6	5	9
5	1	2	7	2	4	5	6	3	4	7	3	2	4	4

2. Second drill table. Drill upon the following table until you can state all the results in any order in less than thirty seconds.

11	15	24	29	16	17	22	13	46	21	32	43
3	7	8	9	4	8	5	2	9	8	6	9
28	14	17	21	13	16	35	12	38	60	33	45
5	9	5	6	8	7	6	4	9	8	7	9
20	18	25	23	34	41	20	26	40	27	31	25
3	5	9	6	5	9	6	8	4	8	9	6

3. Proofs of subtraction. A good method of checking the accuracy of subtraction is to add the difference to the subtrahend as shown in the illustration. If the sum is equal to the minuend, the work is correct.

Illustration

Subtraction	Check
964 Minuend	238 Difference
726 Subtrahend	726 Subtrahend
238 Difference	964 Minuend

Subtract and prove each of the following problems:

3276	63071	26317	61002	400010	864 03
1548	12384	18375	25418	230425	127 51
17003	20304	73684	50601	31050	21 002
15028	15607	25338	34287	12345	11405

4. Making change. The correct method of making change was described in Section 384 of JUNIOR TRAINING FOR MODERN BUSINESS. Using this method, determine quickly and accurately the amount of change due in each of the following problems:

(a) From 25¢ take	(b) From 50¢ take	(c) From $1 take	(d) From $10 take	(e) From $20 take
22¢	25¢	75¢	$1.75	$11.25
15¢	37¢	87¢	5.25	9.50
18¢	17¢	55¢	3.50	14.60
11¢	06¢	47¢	7.75	17.75
09¢	27¢	25¢	3.40	12.80
07¢	41¢	19¢	8.25	7.75
14¢	11¢	79¢	6.35	5.40
17¢	28¢	67¢	2.60	15.65

(f)

	(1)	(2)	(3)	(4)	(5)	(6)
FROM	$5.00	$20.00	$15.00	$10.00	$8.00	$12.00
Take	1.57	12.18	8.42	1.35	1.25	1.68
the	.84	4.95	1.89	.98	2.50	3.42
sum of	2.36	.97	5.07	2.63	1.75	.90
	(7)	(8)	(9)	(10)	(11)	(12)
FROM	$6.00	$15.00	$3.00	$11.00	$9.00	$17.00
Take	1.75	4.78	.98	5.67	3.20	4.90
the	.50	.35	1.34	.86	.56	3.60
sum of	2.45	5.25	.25	1.35	2.62	6.20
	.55	3.80	.15	2.22	1.97	1.55

5. Finding the net profit.

	Sales	Cost of Goods Sold	Gross Profit	Expenses	Net Profit
Home Office	12840 80	6378 60		5583 71	
New York Agency	9670 90	4890 00		4378 96	
Chicago Agency	7840 80	4010 25		3470 42	
Seattle Agency	5490 10	2750 67		2430 95	
San Diego Agency	4960 20	2450 31		2232 10	
New Orleans Agency	8764 50	4406 73		3927 25	
Total					

IV. MULTIPLICATION

1. Multiplication tables. Many students of business have memorized the multiplication table as far as 12×12. Few have memorized it to 15×15. Master these three remaining tables.

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
13	26	39	52	65	78	91	104	117	130	143	156	169	182	195
14	28	42	56	70	84	98	112	126	140	154	168	182	196	210
15	30	45	60	75	90	105	120	135	150	165	180	195	210	225

2. First drill table. Drill upon the following problems until the products can be announced accurately and rapidly.

15	16	13	11	14	10	16	12	13	11	14	10	16	13	15
3	6	7	9	8	9	4	5	2	7	6	4	8	9	7
20	25	30	22	19	14	23	15	18	33	27	13	36	23	17
5	8	6	4	7	9	8	9	6	8	3	5	7	9	9
25	43	41	52	19	26	61	77	54	35	22	66	76	34	42
7	3	9	2	7	3	6	5	4	7	9	4	3	7	9
79	18	27	67	17	65	83	49	24	67	38	53	28	41	77
4	6	8	4	6	8	5	7	6	8	3	9	5	8	6
12	16	13	15	12	11	16	15	14	12	16	13	15	12	16
11	12	13	13	9	7	13	14	12	10	14	12	11	8	15

3. Second drill table. Find the product in each of the following problems. Add the products.

341	803	683	492	307
19	27	38	46	55
846	7632	5137	2603	9114
69	74	87	98	26

4. Checking multiplication. Probably the simplest method of checking multiplication is to interchange the multiplier and multiplicand, and to multiply again. Check each problem in Section 3 by this method.

5. Casting out 9's. This method of proving multiplication is shown in the illustration. The excess of 9's in the multiplicand is 6; in the multiplier is 8. The product of these excesses is 48. The excess of 9's in the product is 3, which equals the excess of 9's in the result. The solution, therefore, is probably correct.

Illustration

321 = 6
53 = 8
963 48 = 12 = 3
1605
17013 = 12 = 3

Find the product in each of the following problems and check by casting out 9's. Find the total of the products.

(a) 4275 × 118
(b) 3761 × 245
(c) 9204 × 382
(d) 6721 × 476
(e) 5607 × 594
(f) 3007 × 683
(g) 1027 × 769
(h) 4809 × 827
(i) 2085 × 938
(j) 8967 × 248

Short Methods of Multiplication

6. Multiplying by 10 or a multiple of 10. To multiply by 10, 100, 1000 or any similar multiple of ten, annex to the multiplicand as many zeros as there are zeros in the multiplier. When the multiplicand is a decimal fraction, move the decimal point as many places to the right as there are zeros in the multiplier.

Illustration

39 × 100 = 3900
3.9 × 100 = 390

Multiply as indicated.

(a)	156	× 10	(e)	142.1	× 1000	(i)	7.642	× 100
(b)	742	× 100	(f)	746	× 10	(j)	742	× 100
(c)	9.86	× 10	(g)	3746	× 1000	(k)	1689	× 10
(d)	72	× 100	(h)	.111	× 100	(l)	9.71	× 1000

7. Multiplying by 11. The illustration shows that the units' digit of the multiplicand is the units' digit of the product; the sum of the units' and tens' digits is the tens' digit of the product; the sum of the tens' and hundreds' digits, without the carrying figure, is the hundreds' digit of the product, and the hundreds' digit of the multiplicand plus the carrying figure is the thousands' digit of the product. This solution may be used also when a multiplier is a multiple of 11, such as 55. Multiply first by 11, then by 5.

Illustration

$$\begin{array}{r} 863 \times 11 = 9493 \\ 863 \\ 11 \\ \hline 863 \\ 863 \\ \hline 9493 \end{array}$$

Multiply as indicated.

(a) 476×11	(e) 2467×11	(i) 35421×11
(b) 392×11	(f) 7392×11	(j) 57942×33
(c) 746×11	(g) 8746×22	(k) 98729×55
(d) 917×11	(h) 5321×44	(l) 46987×11

8. Multiplying by 25, 50, or 75. Since 25 is one-fourth of 100, the shorter method of multiplying by 25 is to add two zeros to the multiplicand and divide by 4. When the multiplicand contains a decimal fraction, move the decimal point two places to the right and divide by 4.

Since .25 is one-fourth of 1, the shorter method of multiplying by .25 is to divide the multiplicand by 4.

State a short method of multiplying by 50; by .50; by 75; by .75; by 250; by 500; by 750; by 2.50; by 7.50.

Multiply as indicated.

(a) 672×25	(g) 758×50	(m) 976×75
(b) 896×25	(h) 1672×50	(n) 2368×75
(c) $584 \times .25$	(i) $8496 \times .50$	(o) $9812 \times .75$
(d) 332×250	(j) 5514×500	(p) 5124×750
(e) 1976×25	(k) 378×50	(q) 616×75
(f) 3768×2.50	(l) $892 \times .50$	(r) 784×7.50

9. Supplement method. A supplement is the difference between a number and the next lower power of ten. The supplement of 12 is 2; of 116 is 16; of 1004 is 4. To multiply by the supplement method add to one number the supplement of the other, and annex to this sum the product of the supplements. When the supplements are based on ten, one digit must be annexed; on 100, two digits; on 1000, three digits. Should the product of the supple-

Illustration

116×104

$116 + 4 = 120$

or

$104 + 16 = 120$

Annex 64 (4×16)

Result = 12064

ments exceed the number of digits required, the excess is added (not annexed) to the sum of the supplements. Should the product of the supplements be less than the number of digits required, zeros are entered in the missing places; e. g. 1001 × 1002 = 1003002.

Multiply as indicated.

(a) 12 × 13	(d) 103 × 115	(g) 1012 × 1009
(b) 13 × 15	(e) 106 × 105	(h) 1125 × 1003
(c) 14 × 13	(f) 125 × 106	(i) 1002 × 1004

10. Complement method. A complement is the difference between a number and the next higher power of 10; that is, the complement of 8 is 2; of 96 is 4; of 988 is 12. To multiply by the complement method, subtract from one number the complement of the other, and annex to this difference the product of the complements.

Illustration

97 × 94

97 − 6 = 91

or

94 − 3 = 91

Annex 18 (3 × 6)

Result = 9118

Refer to Section 9 for explanation of the number of digits which must be annexed.

Multiply as indicated.

(a) 95 × 93	(d) 96 × 91	(g) 988 × 993
(b) 88 × 92	(e) 87 × 97	(h) 995 × 986
(c) 94 × 89	(f) 996 × 975	(i) 986 × 982

11. Problems with decimals. Estimate the approximate result and state the number of decimal places before solving each of the following problems.

(a) 324 × 1.2	(e) 26.04 × .013	(i) 3.485 × 24
(b) 427 × .11	(f) 3.185 × 2.70	(j) 5.635 × 20.7
(c) 342 × 1.03	(g) 20.02 × 20.3	(k) 1004 × .038
(d) 47.2 × 3.4	(h) .2436 × 712	(l) 76.09 × .008

V. DIVISION

1. First drill table. Practice until the quotients of the following problems can be stated without hesitation.

Divide by		Divide by	
2:	16, 28, 36, 92, 160, 440.	6:	18, 54, 96, 266, 546, 774.
3:	18, 24, 51, 87, 156, 417.	7:	14, 63, 161, 385, 658, 875.
4:	16, 36, 92, 296, 584, 756.	8:	16, 56, 232, 456, 776, 856.
5:	15, 45, 95, 385, 655, 875.	9:	18, 63, 171, 333, 585, 756.

2. Second drill table. Divide as indicated in the following problems. Write only the quotients. Find the sum of the quotients. Prove this sum by casting out 9's.

(a) 144 ÷ 12
(b) 169 ÷ 13
(c) 224 ÷ 14
(d) 225 ÷ 15
(e) 256 ÷ 16
(f) 176 ÷ 11
(g) 168 ÷ 12
(h) 195 ÷ 13
(i) 182 ÷ 14
(j) 195 ÷ 15
(k) 224 ÷ 16
(l) 210 ÷ 15
(m) 196 ÷ 14
(n) 182 ÷ 13
(o) 192 ÷ 12

3. Third drill table. Solve the following problems as suggested in Section 2.

(a) 2240 ÷ 70
(b) 960 ÷ 60
(c) 1440 ÷ 90
(d) 840 ÷ 60
(e) 680 ÷ 40
(f) 126,000 ÷ 900
(g) 98,000 ÷ 700
(h) 56,000 ÷ 400
(i) 112,000 ÷ 800
(j) 39,000 ÷ 300
(k) 160,000 ÷ 1000
(l) 819,000 ÷ 9000
(m) 968,000 ÷ 8000
(n) 846,000 ÷ 6000
(o) 192,000 ÷ 12000

4. Proving division. The proof generally used is to multiply the divisor by the quotient and add the remainder to this product. If the result obtained equals the dividend, the division is correct.

Divide as indicated. Prove each solution. Add the quotients.

(a) 3772 ÷ 82
(b) 5734 ÷ 94
(c) 888 ÷ 37
(d) 3848 ÷ 52
(e) 552 ÷ 24
(f) 6745 ÷ 71
(g) 2880 ÷ 64
(h) 3564 ÷ 44
(i) 2914 ÷ 62

5. Casting out 9's. Read again Section 6 (App. p. 318) and Section 5 (App. p. 322). When these two sections are thoroughly understood, you will be able to prove the following problems by casting out 9's.

Divide as indicated. Prove the results. Add the quotients.

(a) 28046 ÷ 74
(b) 41796 ÷ 86
(c) 14742 ÷ 39
(d) 8092 ÷ 28
(e) 8316 ÷ 42
(f) 18041 ÷ 63
(g) 46656 ÷ 96
(h) 73627 ÷ 425
(i) 66816 ÷ 928

6. Division involving decimals. Carry each quotient, where necessary, to three decimal places.

Divide as indicated. Prove. Add the quotients.

(a) 2.34 ÷ .6
(b) 8.28 ÷ .8
(c) 27.2 ÷ .8
(d) .469 ÷ 7
(e) 18.4 ÷ .04
(f) 3.35 ÷ .05
(g) .216 ÷ .06
(h) 2597.6 ÷ .34
(i) 34.78 ÷ 7.4

7. Dividing by 10 or a multiple of ten. To divide by 10, 100, 1000 or any similar multiple of ten, move the decimal point of the dividend as many points to the left as there are zeros in the divisor.

Illustration

842 ÷ 10 = 84.2
84.2 ÷ 100 = .842

Divide as indicated.

(a)	3450 ÷ 100	(d)	30.000 ÷ 100	(g)	574.782 ÷ 100
(b)	2790 ÷ 10	(e)	36.370 ÷ 10	(h)	189.740 ÷ 1000
(c)	3504.9 ÷ 1000	(f)	27.674 ÷ 1000	(i)	83.000 ÷ 1000

8. Dividing by 25, 50, 75. Since 25 is one-fourth of 100, the shorter method of dividing by 25 is to move the decimal point in the dividend two places to the left and multiply by 4.

Since .25 is one-fourth of 1, the shorter method of dividing by .25 is to multiply the dividend by 4.

State a short method of dividing by 50; by .50; by 75; by .75; by 250; by 500; by 750; by 2.50; by 7.50.

Divide as indicated.

(a)	44.832 ÷ 25	(e)	7850 ÷ 75	(i)	46000 ÷ 500
(b)	7514 ÷ .25	(f)	2800 ÷ .75	(j)	64750 ÷ 7.50
(c)	47.654 ÷ 50	(g)	62.260 ÷ 250	(k)	500 ÷ 2.5
(d)	36.045 ÷ .50	(h)	16.000 ÷ 2.50	(l)	225 ÷ 25

VI. FRACTIONS

1. Greatest common divisor. The G. C. D. of two numbers is found by dividing the smaller number into the larger; the remainder, if any, into the preceding divisor, and continuing so until an exact divisor is found. The last divisor is the G. C. D.

Illustration

85)119(1
85
34)85(2
68
17)34(2
34

Find the G. C. D. of

(a) 68, 210	(d) 120, 165	(g) 145, 206
(b) 52, 99	(e) 48, 60	(h) 84, 147
(c) 40, 88	(f) 120, 360	(i) 111, 259

2. Least common multiple. To find the L. C. M. of two or more numbers, cancel all the numbers that are contained in any of the other numbers. Divide the remaining numbers by any prime factor common to at least two. Continue until there is no common factor except 1. The L. C. M. is the product of the common factors and the remaining numbers.

Illustration

Find L. C. M. of

$4-6-10-12-16$

$2 \mid 10-12-16$

$2 \mid 5-6-8$

$5-3-4$

$2\times2\times5\times3\times4=240=$ L. C. M.

Find the L. C. M. of

(a) 3, 6, 9, 18, 30
(b) 8, 12, 18, 24
(c) 36, 75, 48
(d) 8, 16, 9, 4
(e) 4, 12, 18, 24
(f) 14, 18, 32, 38
(g) 8, 9, 12, 15
(h) 6, 36, 80, 52
(i) 8, 6, 12, 15

3. Reduction to lowest terms. To reduce a fraction to its lowest terms divide numerator and denominator by their G. C. D.

Reduce to lowest terms:

(a) $\frac{16}{24}$
(b) $\frac{28}{36}$
(c) $\frac{72}{80}$
(d) $\frac{45}{60}$
(e) $\frac{51}{68}$
(c) $\frac{80}{96}$
(g) $\frac{17}{35}$
(h) $\frac{21}{84}$
(i) $\frac{19}{37}$
(j) $\frac{56}{96}$
(k) $\frac{39}{48}$
(l) $\frac{10}{32}$

4. Changing to higher terms. A fraction may be changed to higher terms by multiplying both the numerator and the denominator by the same number.

Change as indicated.

(a) $\frac{5}{8}$ to 48ths
(b) $\frac{5}{6}$ to 36ths
(c) $\frac{3}{20}$ to hundredths
(d) $\frac{13}{24}$ to 96ths
(e) $\frac{11}{12}$ to 84ths
(f) $\frac{3}{5}$ to 60ths
(g) $\frac{1}{2}$, $\frac{1}{3}$, $\frac{1}{4}$, $\frac{1}{6}$, to 12ths
(h) $\frac{1}{5}$, $\frac{1}{8}$, $\frac{1}{10}$, to 40ths
(i) $\frac{2}{3}$, $\frac{5}{6}$, $\frac{7}{8}$, to 24ths

5. Changing improper fractions to whole or mixed numbers. To reduce an improper fraction to a whole or mixed number, divide the numerator by the denominator, and express the remainder as a fraction of the denominator.

Express as whole or mixed numbers.

(a) $\frac{68}{15}$
(b) $\frac{44}{7}$
(c) $\frac{180}{16}$
(d) $\frac{88}{9}$
(e) $\frac{264}{12}$
(f) $\frac{135}{16}$
(g) $\frac{78}{5}$
(h) $\frac{153}{33}$
(i) $\frac{49}{13}$
(j) $\frac{113}{6}$
(k) $\frac{29}{15}$
(l) $\frac{126}{19}$

6. Changing mixed numbers to improper fractions. To change a mixed number to an improper fraction, multiply the

integer by the denominator of the fraction, and to the product add the numerator, and place the result over the denominator.

(a) $18\frac{3}{4}$	(d) $10\frac{3}{4}$	(g) $27\frac{3}{7}$	(j) $19\frac{4}{9}$
(b) $87\frac{1}{2}$	(e) $19\frac{3}{8}$	(h) $18\frac{5}{6}$	(k) $23\frac{1}{3}$
(c) $17\frac{2}{5}$	(f) $96\frac{5}{9}$	(i) $22\frac{4}{5}$	(l) $24\frac{2}{5}$

7. Changing common fractions to decimal fractions. To change a common fraction to a decimal fraction annex a decimal point and zeros to the numerator and divide by the denominator.

Change to decimals, extending each to three places if necessary.

(a) $\frac{2}{3}$	(d) $\frac{1}{11}$	(g) $\frac{9}{36}$	(j) $\frac{1}{200}$
(b) $\frac{7}{8}$	(e) $\frac{3}{4}$	(h) $\frac{7}{35}$	(k) $\frac{4}{125}$
(c) $\frac{5}{6}$	(f) $\frac{4}{9}$	(i) $\frac{1}{15}$	(l) $\frac{39}{76}$

8. Changing decimal fractions to common fractions. To change a decimal fraction to a common fraction, write the figures of the decimal for a numerator, and for a denominator write 1 and annex to it as many zeros as there are decimal places in the decimal form. Reduce the resulting fraction to lowest terms.

Illustration

$$.225 = \frac{225}{1000} = \frac{9}{40}$$

Change to simple common fractions.

(a) .24	(d) .1625	(g) $.37\frac{1}{2}$
(b) .032	(e) $.11\frac{1}{9}$	(h) $.83\frac{1}{3}$
(c) .375	(f) $.66\frac{2}{3}$	(i) 5.24

9. Addition of fractions. Express each common fraction in terms of the least common denominator of the fractions. Add the numerators and write the sum over the common denominator. If the result is an improper fraction, change to a whole or mixed number. In adding decimals, remember to keep the decimal points under each other.

Oral drill table A.

(a) $\frac{1}{7}$, $\frac{3}{7}$, $\frac{5}{7}$	(g) $1\frac{1}{2}$, $4\frac{1}{2}$, $6\frac{1}{2}$	(m) $3\frac{5}{8}$, $4\frac{1}{2}$, $2\frac{1}{4}$
(b) $\frac{1}{8}$, $\frac{3}{8}$, $\frac{5}{8}$	(h) $2\frac{2}{3}$, $5\frac{1}{3}$, $7\frac{2}{3}$	(n) $5\frac{5}{9}$, $3\frac{1}{3}$, $1\frac{2}{3}$
(c) $\frac{2}{9}$, $\frac{5}{9}$, $\frac{7}{9}$	(i) $3\frac{1}{4}$, $4\frac{1}{2}$, $5\frac{3}{4}$	(o) $1\frac{9}{10}$, $4\frac{1}{2}$, $3\frac{3}{5}$
(d) $\frac{3}{10}$, $\frac{7}{10}$, $\frac{9}{10}$	(j) $2\frac{2}{5}$, $4\frac{4}{5}$, $6\frac{3}{5}$	(p) $2\frac{1}{2}$, $3\frac{1}{4}$, $5\frac{1}{8}$
(e) 25, .25, .0025	(k) .05, .8, .15	(q) .04, 4, .4
(f) 3.2, .26, .024	(l) 15, .15, 1.5	(r) 2.6, .45, .05

Oral drill table B.

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
$\frac{1}{2}$	$\frac{1}{4}$	$\frac{1}{3}$	$\frac{1}{2}$	$\frac{3}{4}$	$\frac{3}{7}$	$\frac{1}{4}$	$\frac{7}{10}$	$\frac{2}{3}$	$\frac{1}{3}$
$\frac{5}{6}$	$\frac{3}{8}$	$\frac{5}{9}$	$\frac{3}{5}$	$\frac{1}{2}$	$\frac{1}{2}$	$\frac{3}{16}$	$\frac{1}{5}$	$\frac{3}{4}$	$\frac{5}{6}$
$\frac{2}{3}$	$\frac{1}{2}$	$\frac{2}{3}$	$\frac{1}{2}$	$\frac{1}{3}$	$\frac{6}{7}$	$\frac{1}{2}$	$\frac{1}{2}$	$\frac{5}{12}$	$\frac{3}{4}$
$\frac{1}{2}$	$\frac{5}{9}$	$\frac{2}{9}$	$\frac{4}{5}$	$\frac{1}{4}$	$\frac{1}{2}$	$\frac{3}{9}$	$\frac{3}{5}$	$\frac{1}{2}$	$\frac{7}{12}$

Oral drill table C.

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
$1\frac{1}{2}$	$3\frac{1}{6}$	$5\frac{3}{8}$	$3\frac{1}{3}$	$6\frac{1}{3}$	$4\frac{3}{4}$	$3\frac{3}{5}$	$8\frac{5}{12}$	$9\frac{3}{4}$	$4\frac{1}{4}$
$2\frac{3}{4}$	$2\frac{1}{2}$	$4\frac{1}{4}$	$2\frac{5}{9}$	$3\frac{3}{4}$	$7\frac{3}{16}$	$8\frac{1}{2}$	$3\frac{3}{4}$	$3\frac{1}{2}$	$6\frac{1}{6}$
$1\frac{1}{8}$	$4\frac{2}{3}$	$2\frac{1}{2}$	$6\frac{1}{3}$	$5\frac{1}{2}$	$2\frac{3}{8}$	$4\frac{7}{10}$	$1\frac{2}{3}$	$4\frac{3}{16}$	$4\frac{2}{3}$

10. Written problems. Copy from dictation and find the sum of each of the following problems.

(a)	(b)	(c)	(d)	(e)	(f)
$432\frac{5}{6}$	$333\frac{1}{4}$	$852\frac{8}{9}$	$653\frac{3}{5}$	$356\frac{1}{4}$	$234\frac{3}{4}$
$248\frac{1}{3}$	$829\frac{1}{2}$	$493\frac{2}{3}$	$465\frac{1}{2}$	$564\frac{1}{2}$	$842\frac{1}{2}$
$741\frac{5}{9}$	$236\frac{3}{5}$	$131\frac{5}{6}$	$197\frac{1}{4}$	$791\frac{1}{8}$	$147\frac{7}{16}$
$587\frac{1}{6}$	$672\frac{3}{4}$	$719\frac{2}{9}$	$311\frac{5}{8}$	$113\frac{5}{8}$	$785\frac{5}{8}$
$813\frac{1}{2}$	$591\frac{3}{10}$	$546\frac{1}{2}$	$934\frac{3}{4}$	$439\frac{3}{4}$	$318\frac{3}{4}$
$198\frac{1}{4}$	$117\frac{1}{5}$	$365\frac{1}{3}$	$528\frac{1}{5}$	$828\frac{1}{2}$	$891\frac{5}{16}$

11. Subtraction of fractions. Express each common fraction in terms of the least common denominator of the fractions. Subtract the numerators and write the difference over the common denominator. Reduce to lowest terms. In subtracting decimals, remember to keep the decimal points under each other.

Oral drill table A.

(a)	$\frac{1}{2}$	–	$\frac{1}{4}$	(g)	$\frac{1}{4}$	–	$\frac{1}{5}$	(m)	$\frac{1}{6}$	–	$\frac{1}{8}$	(s)	$\frac{1}{8}$	–	$\frac{1}{9}$
(b)	$\frac{1}{2}$	–	$\frac{1}{6}$	(h)	$\frac{1}{4}$	–	$\frac{1}{7}$	(n)	$\frac{1}{6}$	–	$\frac{1}{7}$	(t)	$\frac{1}{8}$	–	$\frac{1}{12}$
(c)	$\frac{1}{2}$	–	$\frac{1}{8}$	(i)	$\frac{1}{4}$	–	$\frac{1}{8}$	(o)	$\frac{1}{6}$	–	$\frac{1}{9}$	(u)	$\frac{1}{8}$	–	$\frac{1}{10}$
(d)	$\frac{1}{3}$	–	$\frac{1}{9}$	(j)	$\frac{1}{5}$	–	$\frac{1}{8}$	(p)	$\frac{1}{7}$	–	$\frac{1}{8}$	(v)	$\frac{1}{9}$	–	$\frac{1}{10}$
(e)	$\frac{1}{3}$	–	$\frac{1}{12}$	(k)	$\frac{1}{5}$	–	$\frac{1}{9}$	(q)	$\frac{1}{7}$	–	$\frac{1}{9}$	(w)	$\frac{1}{10}$	–	$\frac{1}{12}$
(f)	25	–	.25	(l)	1.5	–	.15	(r)	.36	–	.024	(x)	.012	–	.006

Oral drill table B.

(a) $3\frac{1}{2} - 1\frac{1}{4}$ (f) $9\frac{4}{5} - 5\frac{3}{8}$ (k) $3\frac{7}{8} - 1\frac{5}{12}$
(b) $5\frac{1}{3} - 2\frac{2}{9}$ (g) $8\frac{5}{6} - 3\frac{2}{7}$ (l) $6\frac{5}{6} - 2\frac{5}{12}$
(c) $4\frac{1}{2} - 3\frac{1}{8}$ (h) $5\frac{3}{4} - 2\frac{2}{3}$ (m) $12\frac{4}{5} - 3\frac{2}{9}$
(d) $6\frac{1}{4} - 4\frac{1}{8}$ (i) $7\frac{2}{3} - 4\frac{4}{9}$ (n) $16\frac{1}{2} - 7\frac{3}{4}$
(e) $7\frac{2}{3} - 4\frac{5}{9}$ (j) $9\frac{1}{2} - 6\frac{3}{8}$ (o) $11\frac{1}{4} - 4\frac{1}{2}$

12. Written problems. Copy from dictation and find the difference in each of the following problems.

(a) $176\frac{3}{4} - 81\frac{2}{3}$ (e) $818\frac{1}{6} - 323\frac{1}{12}$ (i) $2983\frac{1}{3} - 736\frac{7}{8}$
(b) $479\frac{1}{2} - 216\frac{5}{8}$ (f) $1498\frac{2}{5} - 827\frac{7}{8}$ (j) $4726\frac{1}{2} - 917\frac{6}{7}$
(c) $974\frac{1}{12} - 462\frac{5}{6}$ (g) $3591\frac{1}{7} - 619\frac{5}{6}$ (k) $132 - 47\frac{1}{2}$
(d) $596\frac{1}{3} - 189\frac{3}{4}$ (h) $7139\frac{3}{8} - 591\frac{3}{4}$ (l) $537 - 89\frac{3}{4}$

13. Multiplication of fractions. An integer by a fraction. To multiply an integer by a common fraction, multiply the integer by the numerator of the fraction and divide the product by the denominator. Use cancellation where possible. When multiplying by a decimal fraction, there must be as many decimal places in the product as in the multiplier.

Multiply as indicated.

(a) $12 \times \frac{7}{8}$ (f) $8 \times \frac{3}{4}$ (k) $17 \times \frac{3}{5}$ (p) $\frac{3}{4} \times 18$
(b) $9 \times \frac{5}{6}$ (g) $12 \times \frac{8}{11}$ (l) $27 \times \frac{5}{12}$ (q) $\frac{7}{8} \times 12$
(c) $11 \times \frac{3}{4}$ (h) $15 \times \frac{5}{6}$ (m) $14 \times \frac{5}{9}$ (r) $\frac{5}{6} \times 25$
(d) $15 \times \frac{4}{7}$ (i) $18 \times \frac{4}{7}$ (n) $9 \times \frac{11}{15}$ (s) $\frac{2}{3} \times 37$
(e) $54 \times .3$ (j) $35 \times .4$ (o) $22 \times .05$ (t) $.07 \times 44$

14. Multiplying a fraction by a fraction. Multiply the numerators together for the new numerator, the denominators for a new denominator. Use cancellation where possible. Reduce all results to lowest terms. When the numbers are decimal fractions, there must be as many decimal places in the product as in both multiplier and multiplicand.

Multiply as indicated.

(a) $\frac{1}{2} \times \frac{1}{3}$ (g) $\frac{3}{7} \times \frac{18}{25}$ (m) $\frac{22}{35} \times \frac{2}{9}$ (s) $\frac{8}{9} \times \frac{11}{12}$
(b) $\frac{3}{4} \times \frac{5}{6}$ (h) $\frac{7}{8} \times \frac{31}{40}$ (n) $\frac{3}{4} \times \frac{7}{8}$ (t) $\frac{19}{21} \times \frac{4}{5}$
(c) $\frac{7}{8} \times \frac{2}{3}$ (i) $\frac{8}{9} \times \frac{15}{16}$ (o) $\frac{9}{11} \times \frac{13}{17}$ (u) $\frac{3}{4} \times \frac{15}{16}$
(d) $\frac{3}{7} \times \frac{3}{4}$ (j) $\frac{5}{11} \times \frac{11}{12}$ (p) $\frac{5}{7} \times \frac{13}{15}$ (v) $\frac{7}{8} \times \frac{11}{16}$
(e) $.305 \times .041$ (k) $.524 \times .27$ (q) 8.71×2.02 (w) $8.3 \times .6$
(f) $.124 \times .12\frac{1}{2}$ (l) $.7 \times .14\frac{2}{7}$ (r) $.54 \times .33\frac{1}{3}$ (x) $9.7 \times .4$

15. Multiplying mixed numbers. The method of multiplying $18\frac{3}{4} \times 36\frac{1}{2}$ shown in the illustration is known as the "four steps process" of multiplying mixed numbers. This solution is preferred when the mixed numbers are large. When they are small, reduce to improper fractions and multiply.

Illustration

$18\frac{3}{4}$
$36\frac{1}{2}$
$\frac{3}{8}$
9
27
648
$684\frac{3}{8}$

(a) $\frac{1}{2} \times \frac{3}{4} \times \frac{3}{8}$
(b) $\frac{1}{2} \times 18 = 9$
(c) $36 \times \frac{3}{4} = \frac{108}{4} = 27$
(d) $36 \times 18 = 648$

Multiply as indicated.

(a) $16\frac{1}{2} \times 28\frac{3}{4}$
(b) $36\frac{1}{4} \times 48\frac{1}{2}$
(c) $25\frac{3}{5} \times 48\frac{1}{5}$
(d) $62\frac{1}{4} \times 28\frac{2}{3}$
(e) $58\frac{1}{2} \times 38\frac{2}{5}$
(f) $76\frac{7}{8} \times 18\frac{5}{6}$
(g) $87\frac{4}{5} \times 15\frac{1}{2}$
(h) $95\frac{2}{7} \times 38\frac{3}{4}$
(i) $47\frac{1}{3} \times 29\frac{5}{9}$
(j) $83\frac{5}{6} \times 62\frac{5}{8}$
(k) $28\frac{3}{4} \times 36\frac{1}{5}$
(l) $18\frac{3}{5} \times 42\frac{7}{8}$

16. Divisions of fractions. Fractions by integers. To divide a fraction by an integer, divide the numerator or multiply the denominator by the integer. e. g. $\frac{2}{5} \div 2 = \frac{1}{5}$; $\frac{3}{5} \div 2 = \frac{3}{10}$.

Oral drill table.

(a) $\frac{6}{13} \div 3$
(b) $\frac{15}{17} \div 5$
(c) $\frac{2}{5} \div 3$
(d) $\frac{6}{7} \div 4$
(e) $\frac{3}{10} \div 3$
(f) $\frac{8}{15} \div 4$
(g) $\frac{5}{6} \div 3$
(h) $\frac{9}{13} \div 2$
(i) $\frac{8}{9} \div 4$
(j) $\frac{18}{25} \div 5$
(k) $\frac{3}{7} \div 3$
(l) $\frac{2}{9} \div 3$
(m) $\frac{4}{10} \div 3$
(n) $\frac{6}{15} \div 8$
(o) $\frac{9}{25} \div 2$
(p) $\frac{6}{17} \div 5$

17. Dividing an integer or a fraction by a fraction. To divide an integer or a fraction by a fraction, invert the divisor and proceed as in multiplication.

Divide as indicated.

(a) $\frac{1}{2} \div \frac{2}{5}$
(b) $\frac{3}{8} \div \frac{7}{10}$
(c) $\frac{4}{35} \div \frac{6}{7}$
(d) $\frac{1}{5} \div \frac{2}{3}$
(e) $\frac{8}{9} \div \frac{1}{3}$
(f) $\frac{7}{8} \div \frac{3}{5}$
(g) $\frac{1}{5} \div \frac{3}{8}$
(h) $\frac{1}{8} \div \frac{1}{4}$
(i) $\frac{2}{3} \div \frac{3}{4}$
(j) $24 \div \frac{6}{7}$
(k) $99 \div 11\frac{1}{2}$
(l) $83 \div \frac{3}{4}$

18. Dividing mixed numbers. When the numbers are small, change to improper fractions and proceed as in dividing a fraction by a fraction. When the numbers cannot be changed readily into improper fractions, multiply dividend and divisor by the L. C. M. of the denominators. This will clear of fractions. Divide as in long division.

Illustration

$96\frac{1}{3} \div 11\frac{1}{2}$

$11\frac{1}{2})96\frac{1}{3}($
6 6
$69)578(8\frac{26}{69}$
552
$\frac{26}{69}$

Divide as indicated.

(a) $4\frac{6}{7} \div 2\frac{1}{3}$	(d) $12\frac{1}{2} \div 3\frac{1}{3}$	(g) $72\frac{1}{2} \div 6\frac{1}{2}$
(b) $3\frac{7}{8} \div 1\frac{1}{2}$	(e) $10\frac{3}{4} \div 5\frac{1}{2}$	(h) $70\frac{4}{5} \div 6\frac{1}{2}$
(c) $6\frac{2}{3} \div 1\frac{1}{3}$	(f) $58\frac{1}{4} \div 6\frac{2}{3}$	(i) $67\frac{3}{7} \div 4\frac{5}{6}$

19. Dividing decimal fractions. Proceed as in ordinary long division. The number of decimal places in the quotient must equal the number of decimal places in the dividend less the number of decimal places in the divisor.

Divide as indicated.

(a) 23.46 ÷ 2.3	(c) 45.325 ÷ .325	(e) 145.72 ÷ 7.95
(b) 248.00 ÷ 1.24	(d) 801.26 ÷ .0324	(f) 4.1523 ÷ 2.31

VII. ALIQUOT PARTS

1. Definition. An aliquot part of a number is an exact divisor of that number, or a multiple of an exact divisor of that number. Thus 10 is an aliquot part of 100. Aliquot parts of $1 and of $100 are common in business.

2. Table of common aliquot parts. Memorize the common fractional equivalent of each decimal; the decimal equivalent of each common fraction.

Halves	$\frac{1}{2} = .50$				
Thirds	$\frac{1}{3} = .33\frac{1}{3}$	$\frac{2}{3} = 66\frac{2}{3}$			
Fourths	$\frac{1}{4} = .25$	$\frac{3}{4} = 75$			
Fifths	$\frac{1}{5} = .20$	$\frac{2}{5} = .40$			
Sixths	$\frac{1}{6} = .16\frac{2}{3}$	$\frac{5}{6} = .83\frac{1}{3}$			
Sevenths	$\frac{1}{7} = .14\frac{2}{7}$	$\frac{2}{7} = .28\frac{4}{7}$			
Eighths	$\frac{1}{8} = .12\frac{1}{2}$	$\frac{3}{8} = .37\frac{1}{2}$	$\frac{5}{8} = .62\frac{1}{2}$	$\frac{7}{8} = .87\frac{1}{2}$	
Twelfths	$\frac{1}{12} = .08\frac{1}{3}$	$\frac{5}{12} = .41\frac{2}{3}$	$\frac{7}{12} = .58\frac{1}{3}$	$\frac{11}{12} = .91\frac{2}{3}$	
Sixteenths	$\frac{1}{16} = .06\frac{1}{4}$	$\frac{3}{16} = .18\frac{3}{4}$	$\frac{5}{16} = .31\frac{1}{4}$	$\frac{7}{16} = .43\frac{3}{4}$	$\frac{9}{16} = .56\frac{1}{4}$

3. Multiplying by aliquot parts. Multiplication by the use of any common aliquot part is similar in method to the solution described in Section 8. (App. p. 323.)

(a) Using 50¢, 25¢ and $33\frac{1}{3}$¢ as the cost of a unit quantity, find at sight the cost of each of the following quantities.

36 lbs.	15 lbs.	32 lbs.	320 lbs.	1223 lbs.
72 "	33 "	45 "	639 "	3904 "
24 "	81 "	67 "	788 "	1082 "
108 "	104 "	118 "	465 "	3308 "
144 "	141 "	237 "	605 "	2675 "

(b) Using $12\frac{1}{2}$¢, $16\frac{2}{3}$¢ and $8\frac{1}{3}$¢ as the cost of a unit quantity, find the cost of each of the following quantities.

48 yds.	119 yds.	1036 yds.	565 yds.
56 "	241 "	1462 "	478 "
67 "	608 "	3201 "	1626 "
84 "	471 "	224 "	963 "
102 "	639 "	702 "	733 "

4. Dividing by aliquot parts. Division by the use of any common aliquot part is similar in method to the solution described in Section 8. (App. p. 326.)

Divide as indicated.

(a) $1200 \div 75$	(d) $497 \div .87\frac{1}{2}$	(g) $100 \div .33\frac{1}{3}$
(b) $360 \div .37\frac{1}{2}$	(e) $144 \div 8\frac{1}{3}$	(h) $180 \div 14\frac{1}{7}$
(c) $750 \div 83\frac{1}{3}$	(f) $90 \div .56\frac{1}{4}$	(i) $160 \div .66\frac{2}{3}$

VIII. PERCENTAGE

1. Finding the gain per cent. Fill the blanks in the following table.

Sales	Cost of Sales	Gain or Loss	Per Cent Gain or Loss on Sales
1875.00	1500.00		
2550.00	2125.00		
1555.00	1314.50		
2862.50	2187.11		
3550.00	2915.00		
4075.25	3262.75		
1671.60	1310.15		
4626.25	3935.20		

IX. CASH AND TRADE DISCOUNT

1. Finding the cash discount and net proceeds. Fill the blanks in the following table.

Amount of Bill	Terms	Discount	Net Paid
$100.00	2/10, n/30		
550.00	3/10, n/60		
1260.11	1/30, n/60		
980.50	Cash		
2560.60	2/10, n/30		
4601.11	3/10, n/60		
1850.50	2/10, n/30		
2675.25	1/10, n/30		

2. Finding the trade discount and net cost. Fill the blanks in the following table. To find a single discount equivalent to a series of two discounts, subtract from the sum of the separate discounts their product, and the remainder will be the equivalent single discount.

List Price	Rate of Discount	Discount	Net Cost
$120.00	10%		
540.00	10, 10		
1200.00	10, 5		
1850.00	40		
2540.00	40, 10		
1650.00	20, 10		
4680.00	60		
5468.50	30, 10		
5000.00	5		
6000.00	10, 20		
5280.00	20, 5		

X. SIMPLE INTEREST

1. Definition. Interest is money paid for the use of money.

2. Finding the time. The student of business must acquire the ability to calculate the time from the date of a note, draft, trade acceptance, or other interest-bearing business paper to the date of its maturity, that is the number of years, months, or days for which interest must be reckoned.

Find the time in days for each of the following problems.

(a)

Date of Paper	Date of Maturity	Time (in days)	Date of Paper	Date of Maturity	Time (in days)
Jan. 5	May 21		Dec. 27	July 5	
Oct. 10	Dec. 31		Feb. 9	June 2	
May 7	Aug. 2		July 7	Nov. 1	
Sept. 29	Jan. 5		Aug. 22	Feb. 18	
Apr. 1	Oct. 19		Nov. 18	Mar. 2	

(b)

Date of Discount	Date of Maturity	Time (in days)	Date of Discount	Date of Maturity	Time (in days)
June 2	July 5		July 8	Aug. 4	
Oct. 10	Dec. 10		Sept. 1	Dec. 18	
May 19	Aug. 1		Apr. 20	May 4	
Jan. 25	Mar. 3		Mar. 27	June 27	
Nov. 15	Feb. 10		Aug. 2	Oct. 30	

3. Sixty-day method. To find the interest on any principal at 6%:

For 6 days, move the decimal point three places to the left.
For 60 days, move the decimal point two places to the left.
For 600 days, move the decimal point one place to the left.
For 6000 days, the interest will be the same as the principal.

4. Finding the interest at 6% for fractions or multiples of 6, 60, 600, or 6000 days. The time is not always 6, 60, 600, or 6000 days, yet the above method may be extended to include exact fractions or multiples of 6, 60, 600, or 6000.

(a) Express the following numbers of days as fractions or multiples of 6 days:

24	27	8	36	3	21	17	35
9	33	11	44	14	14	25	19

(b) Express the following numbers of days as fractions or multiples of sixty days:

50	40	102	87	96	85	92	42
72	70	75	32	120	100	82	48

(c) Express the following numbers of days as fractions or multiples of sixty days and six days:

74	89	76	83	58	53	37	43	54	84
67	28	81	49	46	41	51	52	47	55

5. Oral exercise. State the interest on the following amounts for 60 days at 6%:

$360.00	$1825.10	$1.00	$47.50
728.00	216.05	10.00	26.00
410.25	18.65	100.00	15.00
23.82	1.75	5.50	4.20
4.15	.86	3.18	2.50

6. **Oral exercise.** State the interest on the following amounts for 6 days at 6%:

$375.00	$2,900.70	$840.60
86.40	350.00	3,750.00
14.29	6.54	750.30
62,318.26	3,279.74	26.10
1,280.00	5,000.00	111.92

7. **Written exercise.** Find the interest on the following amounts at 6% for the time stated:

$500.00 for 30 days	$1000.00 for 10 days
300.00 for 20 days	350.00 for 6 days
620.00 for 90 days	1200.00 for 3 days
1000.00 for 15 days	400.00 for 27 days
450.00 for 45 days	150.00 for 42 days
610.50 for 20 days	300.00 for 50 days
150.25 for 30 days	500.00 for 72 days
600.00 for 12 days	600.00 for 78 days

8. **Interest at other rates than 6%.** The 6%–60-day method may be used to find the interest at rates other than 6%. The solution is as follows: Find the interest at 6%; then take such a fractional part or multiple of the interest at 6% as the given rate is of 6%; thus, to find the interest at 3%, take $\frac{1}{2}$ of the interest at 6%. Tell how to find the interest at 2%, 4%, $4\frac{1}{2}$%, 5%, 8%, 9%, 12%.

Find the interest in each of the following problems:

Problem	Principal		Rate	Days	Interest	
1	$2,984	73	6 %	120		
2	600	00	5 %	60		
3	1,233	00	4 %	6		
4	984	00	3 %	24		
5	1,560	30	2 %	180		
6	2,000	00	$4\frac{1}{2}$%	60		
7	3,000	00	8 %	20		
8	4,000	00	9 %	600		
9	614	29	12 %	30		
10	726	22	6 %	90		
Total Interest						

gov., government; governor. Also, govt.
G. T., Grand Trunk.
Gr. Br., Great Britain. Also, Gr. Brit.
gr., gross.
guar., guaranteed.
hdkf., handkerchief.
hhd., hogshead; hogsheads.
H. I., Hawaiian Islands.
H. P., horse power; half pay. Also, h. p.
hr. (pl. hrs.), hour.
ht., height.
I. C., Illinois Central.
i. e. (id est), that is (Latin).
in. (pl. ins.), inch.
inc., incorporated; inclosure.
ins., insurance; inches.
insp., inspector.
inst., instant.
int., interest.
inv., invoice.
I. O. U., I owe you.
ital., italic; italics.
Jan., January.
Jap., Japan; Japanese.
jour., journal.
J. P., Justice of the Peace.
Jr., Junior.
K., King; Knight.
K. C., Knights of Columbus. Also, K. of C.
K. C. S., Kansas City Southern.
K. S. W., Kansas Southwestern.
l. (libra), a pound. Also, lb. (Latin).
L. & N., Louisville & Nashville.
L. S. & M. C., Lake Shore & Michigan Central
lat., latitude.
law., lawyer.
L/C, Letter of Credit.
leg., legal.
lib. (Liber), book (Latin).
Lieut., Lieutenant. Also, Lt.
liq., liquid.
Litt. D., Doctor of Letters.
LL.D., Doctor of Laws.
l. t., long ton.
L. V., Lehigh Valley.
ltd., limited.
M., thousand; noon.
M. A., Master of Arts.
M. C., Michigan Central; Member of Congress.
manuf., manufactory; manufacture. Also, manufac.
max., maximum.
M. D., Doctor of Medicine.
mdse., merchandise.
meas., measure.
mem., memorandum.
Messrs., Messieurs; Misters.
Mex., Mexico; Mexican.
mfg., manufacturing.
mfr. (pl. mfrs.), manufacturer.
mgr., manager.
Mgr., Monseigneur; Monsignor.
M. H. R., Member House of Representatives.
misc., miscellaneous.
Mme., Madame.
mo. (pl. mos.), month.
Mo. P., Missouri Pacific.
M. O., money order.
M. P. or Mo. P., Missouri Pacific.
m. p. h., miles per hour.
Mr., Mister.
Mrs., Mistress.
MS. (pl. MSS.), manuscript. Also, ms.
mt. (pl. mts.), mountain; mount.
N., North; Northern.
N. A., North America.
nav., navigation. Also, navig.
N. B. (nota bene), note well, or take notice (Latin).
n. d., no date.
N. E., Northeast; northeastern.
N. F., Newfoundland.
Ng., Norwegian.
N. G., National Guards.
N. M. C., New Mexico Central.

no. (pl. nos.), number.
n. o. p., not otherwise provided for.
N. P., Northern Pacific.
N. W., Northwest; Northwestern.
N. Y. C., New York Central.
N. Y., N. H. & H., New York, New Haven & Hartford.
N. & W., Norfolk & Western.
N. Y. & L. B., New York & Long Branch.
Nov., November.
N. Z., New Zealand.
o/c, overcharge.
Oct., October.
O. E., omissions excepted.
O. K. (Okeh), it is so, all right. Also, OK. (Choctaw Indian).
oz., ounce; ounces.
p., page.
P/A., power of attorney; private account.
Pac., Pacific.
par., paragraph.
Pat. Off., Patent Office.
payt., payment.
p. c., per cent.
P. C. C. & St. L., Pittsburgh, Cincinnati, Chicago & St. Louis.
pd., paid.
Pd. D., Doctor of Pedagogy.
P. R. R., Pennsylvania Railroad.
per, by; by the.
per an. (per annum), by the year (Latin).
per ct. (per centum), per cent. Also, p. c.
P. & R., Philadelphia & Reading.
pf., preferred.
Ph. D., Doctor of Philosophy.
Ph. G., Graduate of Pharmacy.
P. I., Philippine Islands.
pk. (pl. pks.), peck.
pkg. (pl. pkgs.), package.
plff., plaintiff.
P. M. (post meridiem), afternoon; (post mortem), after death (Latin).
P. M., Postmaster.
P. M. O., Postal money order.
P. O., Post Office.
P. O. B., post-office box.
pp., pages.
p.p., postpaid.
pph., pamphlet.
pr., pair.
Pr., preferred (stock).
P. R., Porto Rico.
pres., president. Also, Pres.
prin., principal.
Prof., Professor.
prem., premium.
prox. (proximo), next, of the next month (Latin).
P. S. (post scriptum), postscript.
pub., publisher.
pwt., pennyweight.
Q. M., Quartermaster.
qr. (pl. qrs.), quire.
qt. (pl. qts.), quart.
Que., Quebec. Also, Q.
rec., receipt. Also, rect.
recd., received.
retd., returned.
R. F. D., Rural Free Delivery
rpt., report.
R. R., railroad.
R. S. V. P. (répondez s'il vous plaît), reply if you please (French).
Ry., railway.
Sat., Saturday.
S. E., Southeast; Southeastern.
S. A. L., Seaboard Air Line.
secy., secretary. Also, sec.
Sept., September.
S. O., seller's option. Also, s. o.
S. O. S., send out succor.
S. P., Southern Pacific.
Sr., Sir; Senior.
S. R., Southern Railway.
ss. (scilicet), namely (Latin).
S. S., Steamship.
str., steamer.

Sun., Sunday.
Supt., Superintendent.
S. W., Southwest; Southwestern.
tel., telegram, telegraph; telephone.
Thurs., Thursday.
T. O., Telegraph Office.
tp., township. Also, twp.
trans., transaction; transportation.
treas., treasurer; treasury.
Tues., Tuesday.
ult. (ultimo), the preceding month (Latin).
univ., university; universally.
U. P., Union Pacific.
U. S. M., United States Mail.
U. S. S., United States Steamship.
via, by the way.
viz. (videlicet), namely (Latin).
vocab., vocabulary.
V. P., Vice-President.
vs., versus.
V. V., vice versa.
W., West; Western.
Wab., Wabash Railroad.
w. b., waybill. Also, W/B.
w. c., without charge.
W. D., War Department. Also, War D.
W. & L. E., Wheeling & Lake Erie.
Wed., Wednesday.
w. f., wrong font.
wk., week.
W. M., Western Maryland.
W. S., West Shore.
wt., weight.
Xmas., Christmas.
yd. (pl. yds.), yard.
yr. (pl. yrs.), year.
&c. (et cetera), and so forth.

Arbitrary Signs

a/c, account.
@, at or to
c/o, care of.
¢, cent.
√, check mark.
", ditto marks.
$, dollar.
%, per cent.
#, number, if written before a figure; pounds if written after a figure.
1^{1}, one and one-fourth.
1^{2}, one and two-fourths.
1^{3}, one and three-fourths.
° degrees.
′ feet; minutes.
″ inches; seconds.

APPENDIX C

A VOCABULARY OF BUSINESS TERMS

abatement, a discount allowed for the prompt payment of an account; a rebate.

accept, to agree to pay a draft when due.

acceptance, an agreement by a person on whom a bill of exchange, or draft, is drawn to pay it when due according to the terms of the acceptance: usually made by writing the word *accepted* across the face of the bill, or draft.

acceptor, one who agrees to pay a bill of exchange, or draft.

accommodation, a loan of money or credit made as a favor.

accommodation paper, a promissory note made, or indorsed by one person for another without consideration, to enable the other to raise money or obtain credit thereby: as distinguished from a note given for value received.

account, a systematized record of business dealings, or debits and credits; a reckoning of money transactions; as, to keep one's account with a bank.

accountant, an expert in keeping or adjusting financial records; a person who has charge of such records in a business, or public office.

account current, an open or running account showing what is due.

account sales, a statement sent by one person to another giving details, as to sales made by the sender on the other's behalf: it usually shows the amount and rate of sales, expenses of freight, commission, and other charges.

accrued interest, interest accumulated for a certain period, but which is not due or payable until the end of the period.

acknowledgment, an admission, avowal, or confession of a fact to give it legal force; specifically, such an admission, avowal, or confession made before a duly qualified public officer; the formal certificate issued by an officer before whom an acknowledgment has been made.

actuary, a person engaged in the work of calculating insurance risks and premiums: the statistician of an insurance company.

adjustment, the settlement of a business transaction by the apportionment among the various parties in it of a liability, claim, loss, or payment.

administer, to manage; to carry out; specifically, to settle the estate of one who dies without having made a will.

administrator, one who manages and settles the estate of a person who has died without having made a will.

adulteration, the mixing of a spurious article with a genuine article.

NOTE.—The definitions in this Appendix were taken largely from the *Glossary of Business Terms* in **The Winston Simplified Dictionary.**

ad valorem, literally, in proportion to value: used to designate a duty or tax laid upon goods at a certain per cent of their value.

ad valorem duty, a tax, duty, or charge levied upon goods at a certain rate per cent upon their value as stated in their invoice; as distinguished from a specific charge upon a given quantity or number.

advance, an increase in the price, or a rise in price or value; something furnished before an equivalent is received; payment beforehand; the money thus furnished; to pay before due; to increase the price; to raise the market value.

adventure, goods shipped to another to be sold on the shipper's risk; a speculation.

affidavit, a sworn statement; especially, a written declaration, made upon oath, before an authorized public officer.

agent, a person authorized to act for, or in the place of, another, by authority from him; one intrusted with the business of another; a substitute.

agreement, an exchange of promises; a mutual understanding in reference to something that shall be done or omitted.

allowance, a sum granted as a reimbursement or repayment; a deduction from the gross weight or value of goods.

amount gross, the total sum or aggregate.

amount net, the total sum less proper deduction for expenses, discounts, or charges.

annuity, an amount, allowance, or income, especially of money, payable yearly.

antedate, to date before the real date.

appraise, to set a value on; to estimate the worth of; to appraise goods.

appraisement, setting a value on, or estimating the worth of goods, especially by persons appointed for the purpose.

appraiser, one who sets a value on goods, or estimates their worth.

appreciation, a rise in value, an increase in the market price: opposite to depreciation.

appropriation, funds set apart for a specific purpose; especially, a grant of money by a government.

appurtenance, something incidental to another, particularly, property.

arbitrage, the buying and selling of stocks, bills of exchange, etc., for the profit arising from the difference of value of the same thing in different markets at the same time.

arbitration, the hearing and determination of a matter of dispute by a person or persons chosen by the parties concerned.

arbitration of exchange, the process of calculating and determining the difference in money values or rates of exchange among three or more countries, currencies, or markets, for the purpose of a transaction between two through the other.

arbitrator, a person chosen by parties who have a controversy to settle their differences.

arrears, that which remains unpaid when due; as, wages, taxes, and rent.

article, a single piece of goods; a division of a document, agreement, or contract.

articles of partnership, a written agreement setting forth the purposes and conditions of the association of a

number of persons for the carrying on of a joint enterprise; especially, such a written agreement duly carried out according to law and filed so as to have the force of a charter.

assessment, a levy of tax or share of expenses.

assessor, one appointed to place a value upon property.

assets, the entire property of a person, association, or corporation, applicable to the payment of his or its debts: opposite to liabilities.

assignee, a person designated by another to do some act, or enjoy some right, privilege, or property; a person to whom an assignment is made.

assignment, a transfer of title or interest by writing; as, of a note, bond, or lease; especially, a transfer of property in trust or for the benefit of creditors.

assignor, a person who makes an assignment.

association, a body of persons organized for the prosecution of a business undertaking, usually without a charter, but having the general form and mode of procedure of a corporation; as, a stock company; a society.

assortment, a quantity of goods varying in form, color, style, size, and price.

assume, one who becomes liable for the promises of another.

assurance, an agreement to pay on a contingency or event sure to occur: otherwise used in a sense nearly synonymous with insurance.

attachment, taking property into custody by legal process to compel compliance with a judicial decision of a controversy.

attest, to certify; to bear witness to; as, to attest the truth of a document, a copy of a record, etc.

attorney, an agent; a counselor; specifically, a legal agent empowered to act for suitors in legal and judicial proceedings.

attorney, power of, written authority for one person to act for another.

auction, a public sale of property to the highest bidder; especially, such a sale by a person licensed and authorized for the purpose.

auctioneer, one who sells goods at an auction.

audit, a formal examination and authentication of accounts, with witnesses and vouchers, etc.; an official settling of accounts; the final statement of account.

auditor, a person authorized to examine accounts, compare charges with vouchers, examine parties and witnesses, allow or reject charges, and state the balance.

auxiliary, a term applied to various books which are kept as aid to the principal books.

average, the mean value; medium quality; a fair sample.

avoid, to defeat, evade; to invalidate.

B

bail, to turn over something in trust under an agreement that the purpose of the delivery shall be faithfully carried out.

bailee, the person to whom goods are committed in trust, and who has a conditional possession of them.

bailment, a delivery of goods by one person to another in trust for some special purpose.

bailor, one who delivers goods to another to be held in trust.

balance, the difference between the

debits and credits of an account; to adjust and settle such a difference.

balance of trade, the difference between the value of the imports and the exports of a country.

balance sheet, a written statement giving a summary and the balances of a set of accounts.

bale, a large, closely pressed, bound package of merchandise; a large bundle or package of goods for storage or transportation.

bank, an establishment for the custody, loan, exchange, or issue of money, and for facilitating the settlement of business transactions by the transmission and collection of funds.

bankable, receivable as good at a bank.

bank book, the depositor's book in which a bank enters his deposits, or his deposit, and withdrawals. Also, pass book.

bank credit, the amount which a bank is willing to loan to a business.

banker, a person or a corporation engaged in the business of banking.

bank discount, a deduction equal to the interest at a given rate on the principal of a note or bill of exchange from the time of discounting until it becomes due.

bank draft, a bill of exchange drawn by one bank on another bank.

bankrupt, one unable to meet his business liabilities.

bargain, a favorable business transaction; an agreement of sale.

barrel, the quantity constituting a full barrel: in the United States, a barrel, liquid measure, is usually 31½ gallons; but a barrel of flour is 196 lbs., of beef or pork, 200 lbs., of fish, 200 lbs.

barrel bulk, in freight measurement, five cubic feet.

bear, a speculator who sells stocks, bonds, or other securities for future delivery in expectation of a fall in the market price.

bearer, one who holds and presents for payment a note, bill of exchange, check, or draft.

bearer, payable to, a phrase making notes, bills of exchange, checks, or drafts, payable to holder with or without indorsement.

bill, a general term for all negotiable paper; specifically, a statement of account of goods sold, or services rendered, with price or charge.

bill book, a book in which a person keeps a record of his notes and drafts, thus showing all he issues and receives.

billhead, a printed form of bills or statements of account with business address at the top.

bill of entry, a written statement of goods entered at the customhouse; goods imported or intended for exportation.

bill of exchange, a written order or request from one person to another to pay to some designated person at a future time a specified sum of money.

bill, domestic or inland, a bill of exchange, or draft, payable in the country where drawn.

bill, foreign, a bill of exchange payable in a foreign country.

bill of lading, a receipt given by a transportation agency to a shipper for goods shipped.

bill of sale, a contract under seal for the sale of goods.

bills payable, bills of exchange, drafts, and notes issued in favor of others.

bills receivable, bills of exchange.

drafts, and notes made by others and payable to ourselves.

board of trade, an association of business men to regulate matters of trade and promote their interests.

bolt, a roll of cloth, as of canvas or silk, generally containing about forty yards.

bond, a promise in writing under seal made by a person or corporation to pay a certain sum or do something under penalty of paying a fixed sum on or before a future day; specifically, formal obligation issued by a government or corporation as an evidence of debt, generally for the purpose of borrowing money.

bonded goods, goods on which import duties or taxes have been met by bonds instead of cash.

bonded warehouse, warehouses owned by persons approved by the Treasury Department, and under bond or guarantee for the strict observance of the revenue laws; utilized for storing goods or merchandise until duties are paid or the goods are reshipped without entry into the country.

bondholder, a creditor whose debt is secured by a bond.

bondsman, one who undertakes an obligation to assure payment of money, performance of an act, or integrity of another.

bonus, a special allowance beyond what is due; extra profits; as, the employees were given a bonus for their hard work.

book debts, debts or accounts charged on the books.

bounty, a special payment, premium, or additional allowance given to encourage trade or manufacture.

brand, a particular kind of goods; a mark of designation; a trade-mark, device, or name.

breach of trust, violation of a legal duty by one holding goods or property in trust.

breadstuffs, any kind of grain, corn, or meal.

breakage, allowance made by a shipper for loss due to injury or destruction.

breaking bulk, opening package of goods or merchandise in transit or in process of transportation.

broker, an agent in buying and selling; a middleman paid by commission.

brokerage, a percentage charged by a broker for his services; commission.

building and loan association, an association organized to afford a safe investment for savings and to aid its members in buying, building, or improving houses and other real property.

bull, a speculator who buys stocks, bonds, or other securities in expectation of a rise in the price, or in order to bring about such a rise.

bullion, gold and silver, considered merely as so much metal; specifically, uncoined silver and gold in the shape of bars or ingots.

bushel, a dry measure containing four pecks or thirty-two quarts.

by-laws, rules or regulations adopted by an association or a corporation for its own government.

C

call, a formal demand for the payment of money due; a notice to a stockholder to pay in an instalment of his subscription; a right to demand an amount of stock or goods, at a definite price, within a certain time; specifically, in stock speculation, such a transaction in stock

dealing closed by payment of the difference in price in favor of the holder of the call.

capital, accumulated wealth; specifically, the amount of property owned by an individual or corporation; the amount of such property used for business purposes.

capitalist, one who has capital invested, or capital for investment; generally, a person of large property which is or may be employed in business.

carat, a unit of weight for precious stones and, sometimes, precious metals, varying somewhat in different countries: in international trade, a carat is about 3 1/6 grains troy or about 205 milligrams.

cargo, a general term for all goods, merchandise, or whatever is conveyed in a vessel or boat; load; freight.

carrier, a person or agency engaged in the business of carrying goods for others.

cartage, transporting in a cart, dray, or truck; the price paid for carting.

carte blanche, unlimited authority; full power to exercise liberty of judgment.

case, a box or covering of any kind, or its contents; the quantity contained in a box or covering.

cash, money; strictly, coin, but also paper money, bank notes, bills of exchange, drafts, notes, checks, and other commercial paper easily convertible into money.

cash book, a book in which is kept a record of money received and paid out.

cashier, an officer who has charge of cash payments and receipts of a bank or mercantile establishment.

cashier's check, a check drawn by a bank upon its own funds, signed by the cashier.

cash sale, a sale of goods for cash; in mercantile transactions such a sale usually permits payment in ten or thirty days.

certificate of deposit, a written acknowledgment of a bank that a person has on deposit with it a specified sum.

certified check, a check guaranteed to be good by the bank upon which it is drawn; usually marked by the signature of the cashier or the paying teller with the word *good* or its equivalent, across its face.

chamber of commerce, an association of merchants or traders having as its purpose the protection of the interests of its members; a term used distinctly by some to designate a body intrusted with the protection of general commercial interests, especially in connection with foreign trade.

charter, a formal instrument in writing from a state creating and defining the form, rights, and privileges of an association or corporation.

charter party, a mercantile lease of a vessel.

chattel, any kind of personal property, such as notes, drafts, merchandise, animals, etc.

check, a written order on a bank to pay money on demand; a mark placed against an item in an account, etc., to indicate that it has been given proper attention.

check book, a book containing blank checks upon a bank.

circular, a communication, usually printed, copies of which are sent to various persons.

clearance, passage of checks, bills of exchange, drafts, and other similar negotiable paper, through the clearing house; settlement of debts or claims; act of clearing a ship or vessel at the customhouse.

clearance papers, papers or certificates issued by a customhouse giving permission for the departure of a ship or vessel, and showing that all formalities have been observed and duties met.

clearing, a method adopted by banks and other business agencies, for making settlement of claims against each other.

clearing house, an institution or establishment, especially in the business of banking, for making settlement of daily balances.

c. o. d., collect on delivery: a call for immediate payment of goods or merchandise at time of delivery.

codicil, a supplement to a will.

collateral, a pledge of personal property for assuring the fulfilment of an obligation; commonly stocks and bonds.

collateral security, an additional pledge given, to guarantee the performance of a duty or promise, or the settlement of a debt.

collector, one authorized to receive money for another; chief officer of a customhouse.

commerce, the buying and selling of merchandise, or commodities; particularly, the exchange of merchandise on a large scale between different places, or countries.

commercial paper, bills of exchange, drafts, promissory notes, or other negotiable paper, given and passed in due course of business.

commission, the percentage or allowance made to an agent for transacting business for another; an act to be done as agent for another.

commission broker, one who buys or sells on commission.

common carrier, one who carries on the business of transporting goods or persons for compensation and for all persons impartially.

common law, the unwritten law based upon the precedent of usage; law not contained in the statutes enacted by legislative bodies.

company, an association of persons for carrying on a commercial or industrial enterprise.

compound interest, interest on both the original principal and accrued interest from the time it was due.

compromise, to agree to settle a claim by mutual concessions.

consideration, compensation; recompense: anything given for something else; value in a contract.

consign, to send to an agent in another place to be cared for or sold.

consignee, one to whom something is consigned or sent.

consignment, that which is consigned; act of one who consigns anything.

consignor, one who consigns something.

consols, the principal public stock of England, bearing three per cent interest.

consul, an agent appointed by a government to represent it in a foreign country, to care for the commercial interests of its citizens, and to protect its seamen.

contraband, goods or merchandise not lawfully subject to import or export; smuggled goods.

contract, an agreement legally enforceable between two or more persons

to carry out some purpose; a bargain; a compact.

contractor, one who agrees by contract to do anything for another; specifically, one who contracts to do work, or supply goods or merchandise on a large scale, at a certain price, or rate.

conveyance, act by which the title to property, especially real estate, is transferred; the written instrument by which title to property is transferred.

cooper, one who makes or repairs barrels, hogsheads, casks, etc.

cooperage, work done by a cooper, or the pay for it.

copartnership, the same general meaning as partnership.

copying press, a machine for making by pressure copies of letters, etc., written in copying ink.

copyright, an exclusive right given by law for term of years to author or artist to publish or sell copies of his original work.

corner, a control of the supply of a commodity, stock issue, etc., to such an extent as to enable the one in control to fix the marketing price.

corporation, an association of persons formed and authorized by law to act as a single body, and endowed by law with the capacity of succession or providing for its continued existence.

counterfeit, a spurious bank note or coin; a forgery.

coupon, a certificate of interest due, attached to a transferable bond.

coupon bonds, bonds with the interest coupons attached.

covenant, a mutual agreement between two or more persons under seal.

credentials, testimonials giving authority to another who gives a title or claim to confidence.

credit, financial faith and confidence existing between two persons; business reputation entitling one to be trusted; the extent of a person's ability to get goods or money on trust; specifically, an amount turned over to a person's use by a bank or other business establishment; the balance due a person as shown by an account; entering payment or an item of settlement in an account; the right-hand side of an account on which are entered all items reckoned as values given or produced.

creditor, one to whom money is due; one who extends credit in a business transaction.

curb, the general market for stocks and bonds, or commodities, as distinguished from an established exchange or market place.

currency, the accepted medium of exchange: coin, paper money, and bank notes.

customhouse, the government office where customs and duties are paid, and, if a seaport, where vessels are entered or cleared.

customhouse broker, an agent who acts for an importer or an exporter in handling the business arising from entering and clearing goods and vessels in foreign commerce.

customs, duties, taxes, or imposts, levied by the government of a country on commodities imported or exported.

D

damages, estimated money reparation for an injury suffered; compensa-

tion regarded as an equivalent reparation for a wrong or injury caused by a violation of a legal right.

date, the time at which a transaction or event takes place, or is appointed to take place.

day book, a book record in which transactions are entered consecutively at the time they occur.

debit, an entry of an item in an account showing something charged or due, or the sum of several items so entered; the left-hand side of an account on which such entries are made.

debt, an amount due another.

debtor, one who owes a debt or is indebted.

deed, an instrument in writing under seal duly carried out and delivered according to law conveying or transferring title to land or other real property.

defalcation, deduction; diminution; embezzlement of money by an officer having it in charge.

deficit, a shortage in resources, income, or amount.

demurrage, the detention of a vessel or freight car by one for whom freight has been transported, beyond the time allowed for loading or unloading; payment made for such detention.

deposit, funds and money turned over to a bank subject to withdrawal by order or request; anything handed over as a pledge or security.

depositary, one to whom something is entrusted; a guardian.

depository, a place where things are deposited for safe-keeping, as a bank.

deposit slip, a statement which a depositor leaves with a deposit, as a memorandum and evidence that the money, checks, or other funds, have been deposited.

depot, a railroad station; a building for the accommodation and protection, and sometimes for the sale, of goods.

depreciation, a decline in value or market price.

deputy, a person appointed to act for another.

diplomacy, the art of conducting negotiations or dealings between two states or nations.

directors, a body of persons selected to manage the affairs of a company or corporation.

discount, a deduction made as an interest charge in lending money upon a bill of exchange, draft, or promissory note not due; a deduction from the gross amount; an allowance upon a debt, or price asked, usually made to bring about prompt or cash payment.

dishonor, to fail to pay a note or draft when due; failure to accept a draft when presented for acceptance.

dividend, a share of profits distributed among stockholders.

dividend warrant, a formal order, by which a stockholder receives his dividend.

dock, a waterway, between two piers, for the reception of ships; also, a wharf.

dockage, a payment exacted for the use of a dock; docking facilities.

donor, one who gives or bestows a gift.

double name paper, a note, draft, bill of exchange, or trade acceptance, final payment of which is

additionally assured by the indorsement of some one approved by the bank that accepts or discounts it.

dower, that part of a husband's property which his widow enjoys during her life.

draft, an order from one person or party to another directing the payment of money; a drawing upon a fund or stock.

draw, to obtain by use of a draft; to take away from a place of deposit.

drawback, an amount of money paid back after having been collected; especially, duties or customs remitted by the government.

drawee, the person on whom an order, draft, or bill of exchange is drawn.

drawer, one who draws a bill of exchange, draft, or order for payment.

drayage, the charge or sum paid for hauling or for the use of a dray or truck.

dry goods, textile fabrics.

due bills, an informal written acknowledgment of a debt, non-negotiable in form.

dun, to ask persistently for payment.

duplicate, an exact copy or transcript of anything.

duress, restraint of personal liberty by fear of physical force.

duty, a tax levied by a government on the importation, exportation, or use and consumption of goods.

E

earnest, part of the goods delivered, or part of the purchase money paid to bind a verbal contract.

effects, movables; personal property; sometimes loosely used to designate real as well as personal property.

ejectment, a legal action for the recovery of possession of real property, and, usually, to secure damages for wrongful withholding; the official authorization, or writ, by which this action is begun.

embargo, an order of the government prohibiting the departure or entry of ships at ports, or traffic in commodities, within its dominions.

embark, to go on board a vessel for a voyage; to engage in a business enterprise.

embezzlement, unlawful appropriation of what is entrusted to one's care.

entry, act of reporting at a customhouse the arrival of a ship and procuring permission to land its cargo; act of taking formal possession of lands and other property; putting on record in proper form and order.

equity, the administration of law according to its spirit and not according to the letter.

equity of redemption, the time allowed a mortgagor, or other pledgor, to reclaim property by paying an obligation secured by it.

estate, the nature and extent of ownership in property.

excess profits, profits above average; specifically, under the United States war emergency taxation system of 1917, profits exceeding the average business gain of the three years preceding the outbreak of war with Germany and Austria-Hungary.

exchange, the process involved in carrying on trade and commerce; specifically, a place where merchants and traders meet to carry on particular business transactions; the process of settling accounts between parties located at a dis-

tance from each other by the use of bills of exchange and drafts, or by a transfer of credits; the amount paid for the collection of a bill of exchange, draft, check, or other negotiable instrument; conversion of the money of one country into that of another, with an allowance for difference in value.

exchange broker, one who deals in foreign bills of exchange and money.

excise, a duty or tax levied upon the manufacture, sale, use or consumption of goods within a country; also, a tax upon the pursuit or following of certain trades or occupations.

executed, performed; carried out; specifically, carried out and performed according to law.

execution, performance; a legal warrant or order given to an officer, authorizing him to enforce a judgment.

executor, a person appointed by another to execute his will, or to see its provisions carried into effect after the latter's death.

ex-dividend, a term used to indicate that the purchaser of stock will not be entitled to the next dividend, since a transfer of the stock cannot be made on the company's books in time.

exhibit, an object, or a collection of objects, displayed to public view; an object or a document shown in court and held for future use as evidence.

exporter, one who exports; a person who sends goods or commodities to a foreign country in the way of commerce.

exports, commodities sent from one country to another.

express business, a system of rapid transportation of goods or merchandise, generally managed by express companies, providing special care, security, and quickness of delivery.

express company, an association or corporation engaged as a common carrier in the express business.

express money order, an order for the payment of money issued by one office of an express company and payable at another.

extension, an allowance of additional time by a creditor to a debtor for the payment of a debt.

F

face, the principal amount of a note or other financial obligation.

facsimile, a copy of anything, so made as to give every part and detail of the original.

factor, an agent; one who transacts business for another.

failure, suspension of payment; a state of insolvency or bankruptcy.

fair, average; middling; free from marked merit or defect; of reasonably good kind or quality.

fall, a decline in value or price; to suffer a decline in value or price.

false pretense, a false representation of facts made with the purpose of defrauding another.

federal reserve bank, a bank established under the laws of the United States to act as an agent in the maintenance of money reserves, to issue bank currency, and to rediscount commercial paper accepted and discounted in the business of banking.

fee, a charge fixed by law for the services of a public officer; sometimes, pay; wages, salary.

fee simple, the absolute ownership of real estate.

file, an orderly collection of papers, arranged and classified for reference and preservation, usually with title and date indorsed; any device to keep letters and papers in order, such as a hook or a drawer; to insert in its proper place in a file.

finance, the science and practice of handling monetary affairs, especially those involving large sums or having especial relation to investments.

financier, one skilled in the problems of finance, or occupied with them.

firm, a partnership of two or more persons; the name under which a partnership or company transacts business; steady; not declining in value or price.

fiscal year, the financial year of a business or a government.

fixture, anything annexed to houses and lands so as legally to constitute a part thereof.

flat, without additional charge or interest.

floating indebtedness, current liabilities such as notes payable, book accounts, trade acceptances pay able, etc.

f. o. b., free on board, delivered free of charge to a vessel or train.

footing, the act of adding up a column of figures; the amount or sum total of such a column.

forced sale, sale of goods under compulsion or foreclosure.

foreclose, to take away the right of redeeming.

foreclosure, a legal proceeding which cancels a mortgagor's right of redeeming a mortgaged property.

foreign bill, a bill of exchange, or draft, payable in a foreign country.

forgery, the altering of commercial paper with fraudulent intent.

forwarder, one who accepts goods for transportation and delivery to another carrier.

franchise, a special privilege granted by law to an individual or corporation, which does not pertain to persons of common right.

frank, a free letter; a signature that exempts mail matter from payment of postage; a letter privileged to go post-free.

franking privilege, the right of sending letters, packages, telegrams, etc., without charge, for postage carriage.

fraud, an intentional misrepresentation of the truth for the purpose of inducing another to make a contract to his detriment.

free list, the schedule of goods or merchandise admitted to a country free of duty; a list of persons entitled to something without payment.

free trade, commerce and trade not subjected to duties or tariff regulations.

freight, the compensation paid by anyone for the transportation of goods by rail or water; the cargo.

fund, money set aside for a special purpose.

funded debt, a debt converted into a permanent loan or into bonds.

funds, money and negotiable paper immediately or readily convertible into cash; available financial resources.

G

gauging, measuring the contents of casks, etc.

goods, merchandise; wares.

good will, the custom or patronage of any trade or business.

gratuity, a free gift.

great gross, twelve gross; i. e., 1,728 articles.

gross, whole; entire; total; without any deduction; also, twelve dozen.

gross amount, the total sum or aggregate.

gross earnings, total earnings before deducting total expenses.

gross ton, 2,240 pounds avoirdupois; a unit of internal capacity of ships—100 cubic feet.

gross weight, total weight of goods or merchandise, without deduction for tare or waste.

guarantee, to become responsible for the fulfilment of an obligation of another; to be surety for.

guarantor, a person who gives a guaranty or surety.

guaranty, an agreement to pay a debt, or perform a duty, of another, in case of the failure of the other to fulfil the obligation.

gunny sack, a bag of coarse material, usually jute or hemp, for packing loose commodities for shipment.

H

habeas corpus, a writ to deliver a person from false imprisonment.

harbor, a port or place of shelter for ships; a protected waterway equipped with docking facilities.

harbor master, a government officer charged with the duty of carrying out the regulations governing the use of a harbor.

hogshead, a large cask or barrel especially, one containing two barrels or sixty-three gallons.

holder, a person in possession of, and legally entitled to payment of, a bill of exchange or note.

honor, to accept and pay when due.

hypothecate, to pledge as security without giving title or ownership.

I

immovable, fixed; permanent in place; pl. sometimes used in referring to real estate.

import, to bring in goods or merchandise from a foreign country.

importer, one who imports; especially, a merchant who brings goods or merchandise into a country from abroad.

imports, goods or merchandise imported, or brought into a country from abroad.

impost, a tax or duty laid by a government on goods imported into a country.

income, the return, from labor, business, or property. The total receipts from any branch of business are called the gross income; that portion which remains after paying costs and expenses is known as the net income.

income tax, a tax on income or on an excess of income over a certain amount.

indemnify, to secure against loss or damage; to reimburse in case of loss or damage.

indemnification, indemnifying or reimbursing in case of loss, damage, or penalty.

indemnity, compensation for loss or damage sustained.

indorse, to order a negotiable instrument paid to another by writing one's name on the back of the instrument; to guarantee payment.

indorsee, the person to whom a negotiable instrument is indorsed.

indorsement, act of indorsing; that which is written in indorsing.

indorser, the person who indorses.

injunction, a judicial order requiring the person to do or not to do some special act.

inland bill, a bill of exchange, or draft, payable in the country where drawn; generally called a domestic bill.

insolvent, not having sufficient assets to meet all debts.

instalment, a part of a debt which is divided into portions that are made payable at different times.

instalment plan, the system of making sales for a sum made payable in portions at stated intervals.

instant, present; current; used with a date to indicate the current month.

insurable interest, such an interest in the subject of insurance as carries with it legal damage in the event of the loss insured against.

insurance, a contract whereby one party, for a stipulated consideration, called a premium, undertakes to indemnify or guarantee another against loss of a specific kind, known as a risk.

insurance broker, a broker who handles or places insurance.

insurance policy, a written contract of insurance.

insure, to secure against loss, or damage.

interest, a rate per cent of money paid for the use of funds; a share in property or profits.

internal revenue, a revenue or income derived by a government from licenses, duties, and special taxes levied on personal property or the production and use of domestic goods.

intestate, a person who dies without having made a will.

in transit, on the road; not brought to an end or destination.

inventory, a list of goods or merchandise on hand; an enumeration of articles; a schedule.

invest, to apply capital, money, or funds to the purchase of property for income or profit.

investment, the capital, money, or funds invested; that in which capital, money, or funds is invested.

invoice, a written account or itemized statement of merchandise shipped or sent to a purchaser or consignee, setting forth the quantity, value or prices, and charges; the lot of goods or merchandise as shipped or received.

invoice book, a book for recording or entering copies of invoices.

involved, embarrassed by debts or liabilities; confused.

J

jobber, one who buys from importers or manufacturers and sells to retailers: a middleman.

job lot, goods or merchandise left over; an odd assortment.

joint note, a promissory note signed by several persons, each of whom is liable for a proportional part of the amount.

joint and several note, a promissory note signed by two or more persons, each of whom agrees to hold himself liable for the full amount in case the others are unable to pay.

joint stock, stock or capital held and used in a joint enterprise.

joint stock company, an association consisting of a number of persons organized to conduct a business with a joint capital.

journal, a book of accounts in which is recorded a condensed statement of daily business transactions arranged according to debit and credit.

judgment, the final order of a court in civil or criminal proceedings; an obligation created by an order or decree of a court; the official certificate evidencing such an obligation.

judgment note, a promissory note, containing in addition to its usual contents, a power of attorney authorizing a confession of judgment against the maker or signer upon default of payment.

L

larceny, theft; unlawful taking of personal property.

leakage, an allowance or deduction made for waste by leaking of casks or barrels.

lease, a contract by which one person conveys to another person the use of lands, buildings, or other real property, usually for a specified rent or compensation and length of time; the act and instrument by which such conveyance is made, or the term for which it is made.

ledger, the final book of record in business transactions, in which all debits and credits from other books of original entry are brought together, classified, and summarized under appropriate heads.

legal tender, coin or currency which a government has declared shall be received in payment of debts; a formal proffer of money to pay a debt.

legacy, a gift of property by will.

lessee, one to whom a lease is given, or who takes property under a contract of lease; a tenant under a lease.

lessor, one who gives a lease; one who leases.

letter copying book, a book in which copies are made of letters.

letter of advice, a written report from an agent to a principal or from a consignor to a consignee transmitting special information; a letter by which the drawer of a bill of exchange, or draft, notifies the drawee that the bill has been drawn.

letter of credit, a letter addressed by a bank to one or more of its correspondents certifying that the holder is entitled to draw upon it for funds up to a certain sum; such a letter addressed to several correspondents is sometimes called a circular letter of credit.

letters of administration, an official instrument issued by a court by which an administrator is granted authority to manage and settle the business affairs and estate of a person who has died.

liability, a debt; that which one is under obligation to pay.

license, the formal permission from the proper authorities to perform certain acts.

lien, a legal claim upon real or personal property for the satisfaction of some debt or duty.

lighterage, compensation paid for unloading into a lighter for conveyance to or from shore.

liquidate, to apportion the assets of a business in settlement of indebtedness.

liquidation, the settling of the liabilities of a business.

Lloyd's, a marine insurance association with its central offices located in London, having for its main objects the carrying on of marine insurance.

loan, act of lending; that which one lends or borrows; especially, a sum of money lent at interest.

long, a term used to describe a purchase of goods or stocks in expectation of a rise in price: opposite to short.

M

manifest, an invoice of a ship's cargo; to be shown at the customhouse.

manifold, to make many or several copies of a letter, statement, or document.

margin, an amount of time or money which is allowed or reserved in addition to what is directly needed or used; the percentage paid in money to a broker to secure him against loss on contracts entered into by him on behalf of his principal.

mark, to put a price or sign on articles, goods, or merchandise; to affix a significant identifying mark.

market, opportunity for selling or buying of commodities, or the rate or price offered for them; a meeting of people at a stated time and place for the purpose of buying and selling; a place where provisions are sold.

maturity, termination of the period of time a note or other obligation has to run.

mercantile agency, an organization which collects information as to the credit and reputation of merchants or others doing business, and furnishes this to others for compensation; a commercial agency.

mercantile paper, negotiable paper, given by merchants for goods bought or received.

merchant, one who buys and sells on a large scale.

merchantable, fit for market; such as is usually sold in the market, or such as will bring the ordinary price.

merchant marine, shipping under the control of a country employed in the carriage of goods and passengers between several countries.

mint, a place where money is coined by public authority.

mixed fabrics, a textile fabric composed of two or more kinds of fiber.

money, coined metal or printed certificates issued or authorized by a government as a medium of exchange or a means of payment; wealth considered in terms of money; capital reckoned as a cash asset.

money market, the opportunities for loanable wealth or capital; the whole body of agencies, which regulate and direct financial operations and equalize the supply of and demand for capital.

money order, an order for the payment of money.

mortgage, a conditional conveyance or transfer of property, as security for the payment of a debt which is to become void upon fulfilment of the obligation and stipulated terms.

mortgagee, the person to whom property is mortgaged.

mortgagor, one who gives a mortgage.

movable, in general, wares or goods; now only an article of furniture.

N

negotiable, capable of being transferred in the ordinary course of business by delivery, with or without indorsement.

negotiable paper, bills of exchange, drafts, promissory notes, checks, or other similar instruments, that are payable to bearer or order; also, under some laws, other business instruments, such as bonds, forms of stock, and bills of lading.

net, free from all charges, deductions, and allowances; as, net profits, net proceeds, net income, or net weight.

net earnings, the amount of earnings left after deducting all expenses.

net proceeds, the amount left after deducting commission, discount, etc.

nominal, merely named or stated or given without reference to reality; existing in reference only; as, nominal value.

notary public, a public officer authorized to take acknowledgments, and to attest or certify deeds and other business instruments, usually under his official seal, to make them authentic; and to take affidavits, and protests of negotiable paper.

note, a short term for promissory note, a written instrument acknowledging a debt, and promising payment.

O

obligation, a formal acknowledgment of a liability or agreement to pay a certain sum or do a certain thing; sometimes coupled with a condition and a penalty for nonfulfilment.

open account, an account not settled or adjusted.

open policy, an insurance policy in which the value is to be proved by the insured, in case of loss.

option, a privilege, allowed in a time contract, of buying or selling at a specified price within a specified time.

order, an instruction to buy, sell, or supply, goods or merchandise; a written instruction to admit to a building; an indorsement by which the holder of negotiable paper directs to whom payment shall be made.

outlawed, a term applied to a debt which has run beyond the time when its payment may be enforced by law.

outstanding accounts, accounts showing debts due, but unsettled and unpaid.

overdraw, to draw more than the amount standing to the credit of the drawer.

overdue, unpaid beyond the stipulated time.

P

package, an article, or a collection of articles packed together.

panic, a widespread alarm and distrust in financial affairs, causing depreciation in values.

paper, a short term for negotiable paper.

par, the face or established value; the equality of the value or price of securities at which they are issued and at which they are sold.

partner, one of two or more members of a partnership for carrying on a business.

partnership, an association of two or more persons who have placed their resources, labor, and skill, at the disposal of a lawful business undertaking.

par value, the nominal value which is usually the written or printed value of the paper.

pass book, the depositor's book in which an account of deposits and withdrawals is kept; especially, of a bank account.

passport, an official permission to enter or leave a port, or to pass into or through a country.

patent, an official document giving a person the exclusive right to an invention.

payable, justly due; that which should be paid.

payee, the person to whom a sum of money is to be made payable.

payer, the person who is to pay a financial obligation.

permit, an authorization for an act or the conduct of a business.

personal property, chattels; all property except real estate.

petty cash, money paid out or received in small amounts.

petty cash book, book in which a record is kept of petty cash receipts and payments.

plaintiff, one who sues another or brings an action in court.

policy, a contract of insurance; a definite or settled course of action adopted and followed by a government, individual, or business enterprise.

post, to transfer an entry or entries from a book of original record to one of final classification and summary; as, from a journal to a ledger.

postdate, to date after the real time.

power of attorney, written authority from one person to another to act for him.

preferred stock, stock taking preference over the common stock of a corporation.

premium, the amount paid for a contract of insurance; an amount in addition to the face value of anything.

price, the value of a commodity expressed in terms of money.

price list, a list of prevailing prices.

prime, of first quality.

principal, one who employs another to act for him; one primarily liable on an obligation; a capital sum placed at interest.

proceeds, the financial return that is derived from some possession or transaction; especially, the amount realized from a sale of property.

produce, that which is yielded; especially, in agriculture.

profit, the excess of returns over costs and expenses; gain in a business undertaking.

promissory note, a written promise to pay a sum of money at a future time to, or to the order of, a specified person or to bearer.

property, anything of value that may be owned; the legal right to a thing; generally classified as personal property, when movable; and real property, when immovable.

pro rata, in proportion; a proportional distribution.

protest, a formal declaration and notification that payment of a negotiable instrument has been refused; to make such a formal declaration and notification.

proxy, a person authorized to act for another.

Q

quitclaim deed, an instrument transferring ownership of real estate without warranty of title.

quitrent, a fixed rent paid by a tenant, discharging him from other duties or obligations.

quotation, current prices of merchandise or other commodities.

R

real estate, land, houses, and fixtures; all immovable property.

rebate, a deduction or allowance; a giving back of part of a sum already paid.

receipt, a written acknowledgment of payment.

receipt book, a book of printed receipt forms or one in which receipts are filed.

receiver, an officer appointed by a court to hold in trust and manage the property and funds involved in a suit at law, or to wind up the affairs of a bankrupt or insolvent business enterprise.

recoup, to counterbalance losses by gains.

register and recorder, a public officer charged with recording certain business transactions and dealings; as, registry of deeds, mortgages, and judgments.

reinsurance, transfer of part of the contract of insurance from one insurer to another.

release, a conveyance by which the releasor gives up his right or estate to a person who already has some estate or possession in property.

remittance, payment on account; transfer of funds from one party to another.

renewal, extension of time; giving a new note for an old one.

rent, compensation for the use of real property.

retail, to sell in small quantities.

returns, profit on an investment, or gains accruing from labor or business enterprise.

right of way, the right to pass over the land of another person.

S

safe-deposit box, a steel box generally, fitted into the wall of a vault, provided by banks or safe-deposit companies for containing and safeguarding securities and other valuables.

sale, transfer of property for money.

sample, a small quantity or portion of goods or merchandise shown as an example of quality.

savings bank, a bank employed in the business of receiving small deposits, chiefly savings, investing them, and paying interest thereon.

security, something given as a pledge to assure the fulfilment of an obligation or the payment of a debt; a person who becomes responsible as a surety for the performance of another's obligation or the payment of his debts; any document or evidence of debt or of property, such as a bond or a share of stock.

sell, to make a sale; to transfer for a consideration.

set-off, an opposing claim arising from a matter different from the one in question.

share, unit division of a capital stock issue; interest owned by one of a number.

shipment, quantity of goods sent or consigned.

shipper, one who sends or consigns goods by vessel, railroad, or other transportation agency.

shipping clerk, one who oversees the

forwarding and shipping of goods and merchandise.

short, a term used to denote a sale of goods, stocks, etc., at a fixed price, for future delivery, of what one does not possess, in expectation of a fall in price.

shrinkage, decrease in bulk or measurement.

sight, the term used to designate when a bill of exchange, or draft, is presented to the drawee.

sight draft, a draft payable at sight, i. e., when presented for payment.

sinking fund, a fund set apart from income to pay a debt; particularly, a bond issue.

smuggling, taking goods into a country without paying the import duties or taxes.

solvency, the ability to pay all debts.

solvent, able to meet all debts; excess of assets over liabilities.

specie, any kind of coined money; generally, gold and silver.

specification, a written description and enumeration of particulars accompanying a contract.

specific duty, a fixed tax levied on an article of a certain kind or quantity without regard to its value or market price.

speculation, a risky investment for large profit; a business undertaking out of the ordinary run of affairs.

staple, the principal commodity of a country or district.

stock, shares in the capital of a corporation or stock company; goods on hand.

stock broker, one who buys and sells stocks on commission.

stock exchange, an association of stock brokers who meet to buy and sell stocks and bonds; the place where such brokers meet.

stockholder, one who holds or owns shares of stock.

storage, price paid for storing and safeguarding goods.

storekeeper, officer in charge of a bonded warehouse; one in charge of stores.

street, a short term used in a general way to designate the financial district of a city.

sue, to prosecute one at law.

sundries, unclassified articles.

surety, one who makes himself liable to pay money in case another fails to pay, to fill a contract, or to serve with integrity.

surtax, a supplementary or extra tax, levied in addition to the ordinary rate, as in the custom duties, or in the income tax.

suspend, to stop business; to stop payment; to fail.

T

tally, keeping account by checking off.

tare, deduction, allowance in weight or quantity on account of case, cask, bag, or covering.

tariff, a schedule of duties; a price list.

teller, officer of a bank who receives or pays out money.

tenant, one who leases or rents real property.

tender, an offer of money or other thing in settlement of a debt or claim.

testator, one who has died leaving a will.

textile fabrics, all woven goods.

title, the right to exclusive possession of property; also, the legal evidence of one's right of property.

tonnage, the weight of a ship; the weight a ship will carry; capacity of a vessel.

tort, an injury or detriment for which damages may be obtained.

trade, buying and selling; traffic; commerce.

trade acceptance, a draft drawn by the seller on the purchaser of goods, and accepted by the purchaser for payment at a definite time.

trade discount, an allowance made to dealers in the same line of business.

trade-mark, letters, figures, or devices legally registered, used on goods and labels by a manufacturer or merchant to designate his goods.

trade price, the price allowed by wholesalers to retailers.

traffic, business carried on; especially, by a railroad.

transportation, conveying goods or merchandise from one place to another.

transshipment, removing goods or merchandise from one ship or means of transportation to another.

trust, faith and confidence; that which is turned over to one in faith and confidence.

trust company, a corporation engaged in the business of acting as a trustee, and carrying on banking to a greater or less extent.

trust deed, a kind of mortgage granted a trustee to secure a body of creditors, with power to foreclose on all its mortgaged property in the event of nonfulfilment of the debtor's obligation.

trustee, one legally holding property in trust; one intrusted with property for another.

U

under seal, a term used to show lawful consideration for the promise or agreement made in a contract, and commonly evidenced by the use of the letters "L. S." or the word "seal" in addition to the signatures of the parties in the contract.

undersell, to sell below the trade price.

underwriters, companies or persons who insure against loss.

unsound, in bad financial condition; of doubtful solvency.

usury, interest greater than the lawful rate.

V

valid, good in law; binding; of force.

value, the estimated worth of a commodity, expressed in money; market price.

value received, phrases used in notes and bills to express a lawful consideration.

valued policy, an insurance policy in which the value is inserted in the nature of liquidated damages.

void, not enforceable by law.

voidable, that which may be avoided or confirmed, as the person chooses.

voucher, a receipt, entry, or document which establishes the truth or authenticity of a business transaction or record.

W

waiver, a voluntary surrender of a legal right or privilege.

warehouse, a storehouse for storing and safe-guarding goods or merchandise.

warehouse receipt, a receipt, sometimes negotiable, given at a warehouse for goods in storage.

warranty, a guarantee of the accurate representation of goods or of title.

warranty deed, a deed carrying with it the assurance of the one who grants it that his title to the property is as represented.

wastage, the loss due to handling of commodities.

waybill, list or statement of goods given to a carrier.

wharfage, charges paid for the use of a wharf.

wholesale, trade in large quantities; selling to retailers rather than consumers.

will, the legal document by which a person makes provision for the settlement or distribution of his estate after his death.

without recourse, restrictive words added to an indorsement of a note or bill of exchange to prevent the indorser from liability.

APPENDIX D

LAW FORMS

INTRODUCTION

The forms that follow have been written with as little legal phraseology as possible. They cannot be comprehensive but are intended to give the pupil some idea of the conditions and terms involved in the different forms. Professional assistance should always be secured whenever a person contemplates entering into a contract where the subject matter is important or valuable.

A SIMPLE CONTRACT

THIS AGREEMENT, entered into this 15th day of March, A. D. 19—, between John Doe, party of the first part, and Richard Roe, party of the second part.

Witnesseth, that the party of the first part, in consideration of the agreement of the party of the second part hereinafter set forth, agrees to deliver to the said party of the second part at his place of business in Chicago, Illinois, on or before May 15, 19—, eight tons of No. 2 wrapping paper, freight prepaid.

The said second party, in consideration of the agreement of the said first party, hereby agrees to pay to the said first party the sum of six hundred dollars on or before thirty days after the receipt of said paper, and agrees to honor a thirty days' draft for the said amount upon receipt of goods.

JOHN DOE
RICHARD ROE

ARTICLES OF COPARTNERSHIP

THESE ARTICLES OF AGREEMENT, made the second day of January, in the year one thousand nine hundred twenty-five, between John Doe of the City of Springfield, Illinois, and Richard Roe, of the City of Urbana, Ill., *Witnesseth* as follows:

The said parties above named have agreed to become copartners in business, and by these presents do agree to become copartners together under the firm and partnership name of John Doe and Company, for the purpose of conducting a general retail clothing business, the said partnership to commence on the second day of January, A. D. 19—, and to continue for five years thereafter.

To that end and purpose the said John Doe has contributed the stock of clothing now owned by him and located at the store known as 256 Fifth Avenue,

of the value of Ten Thousand Dollars, and the said Richard Roe has contributed the sum of Five Thousand Dollars in cash, the capital stock so formed to be used and employed in common between them, for the support and management of the said business, and to their mutual benefit and advantage.

It is Agreed by and between the parties hereto that at all times during the continuance of their copartnership they and each of them will give their personal attention to the said business, and will to the utmost of their skill and power exert themselves for their joint interest, profit, benefit and advantage, in the said business.

It is Also Agreed by and between the parties hereto, that they shall and will at all times during the said copartnership, bear, pay and discharge equally between them, all rents and other expenses that may be required for the support and management of the said business; and that all gains, profits, and increase that shall grow or arise from or by means of the said business, shall be divided between them as follows: Two-thirds to the said John Doe and one-third to the said Richard Roe.

It is Also Agreed by and between the parties hereto, that there shall be had and kept at all times during the continuance of their said copartnership, perfect, just, and true books of account; which said books shall be used in common between the said partners, so that either of them may have access thereto, without any interruption or hindrance from the other.

And also, that the said partners, once in every six months or oftener, if necessary, shall make, yield, and render, each to the other, a true, just and perfect inventory and account of all profits by them or either of them made, and of all losses by them or either of them sustained, and such inventory and account being so made, the said parties shall and will adjust, pay and deliver, each to the other, at the time, their just share of the profits, and pay and bear their just share of the expenses and losses so made as aforesaid.

It is Also Agreed by and between the parties hereto, that during the continuance of the said copartnership neither of them shall nor will indorse any note, or otherwise become surety for any person or persons whomsoever without the consent of the other of the said partners.

It is Also Agreed by the parties hereto, that in case of the violation of any of the foregoing covenants and obligations by either of the parties hereto, the party not in default may, at his option, dissolve the said partnership, by giving the party in default thirty days' previous notice in writing of his election so to do.

In Witness Whereof, the parties hereto have hereunto set their hands and seals, the day and year first above written.

JOHN DOE
RICHARD ROE

BILL OF SALE

KNOW ALL MEN BY THESE PRESENTS, that John Doe, of the City of Cleveland, in the County of Cuyahoga, and State of Ohio, of the first part,

and in consideration of the sum of Nine Hundred and Fifty Dollars, lawful money of the United States, to him paid by Richard Roe, of the second part, the receipt whereof is hereby acknowledged, has bargained and sold, and by these presents does grant and convey, unto the said party of the second part his executors, administrators or assigns, all the following goods and chattels, to wit: One Standard Automobile, manufacturer's number 3246, belonging to him and now in his possession at 7856 Euclid Avenue, Cleveland, Ohio.

To Have and to Hold the same unto the said party of the second part, his executors, administrators and assigns, forever. And the said party of the first part, for himself, heirs, executors and administrators, does covenant and agree to and with the said party of the second part, his executors, administrators and assigns, to Warrant and Defend the sale hereby made of said property, goods and chattels, unto the said party of the second part, his executors, administrators and assigns, against all and every person or persons whatsoever.

In Witness Whereof, I have set my hand and seal this 19th day of April, A. D. 19—.

JOHN DOE [L. S.]

Signed, sealed and delivered in
presence of
RICHARD BROWN.
MARY A. BROWN.

WARRANTY DEED

THIS INDENTURE, made this twelfth day of March, in the year of our Lord one thousand nine hundred and twenty-five, between John Doe and Mary Doe, his wife, of Indianapolis, Indiana, parties of the first part, and Richard Roe, of Omaha, Nebraska, party of the second part:

Witnesseth, that the said parties of the first part, for and in consideration of the sum of Five Thousand ($5,000.00) Dollars, to them in hand paid by the said party of the second part, the receipt whereof is hereby acknowledged, do by these presents grant and release unto the said party of the second part, his heirs and assigns forever, all that certain piece or parcel of land, situate, and being in the City of Indianapolis, County of Marion and State of Indiana, and described as follows, to wit:

Lot four hundred sixty-two (462) of block three (3) of the sub-division of the north part of lots one (1), two (2), and three (3) of Jones' sub-division of the Wilson Farm, according to the recorded plat thereof, Marion County Records.

Together with the appurtenances and all the estate and rights of the parties of the first part in and to said premises;

To Have and to Hold the said premises as described, with the appurtenances, unto the said party of the second part, his heirs and assigns forever.

And the said John Doe and Mary Doe, his wife, parties of the first part, do covenant with the said party of the second part as follows:

First.—That the parties of the first part are seized of the said premises in fee simple, and have good right to convey the same.

Second.—That the party of the second part shall quietly enjoy the said premises.

Third.—That the said premises are free from incumbrances.

Fourth.—That the parties of the first part will execute or procure any further necessary assurance of the title of said premises.

Fifth.—That the said John Doe, and Mary Doe, his wife, parties of the first part, will forever warrant the title to said premises.

In Witness Whereof, the said parties of the first part have hereunto set their hands and seals the day and year first above written.

Signed and delivered in presence of
JAMES D. SIMPSON
S. ROSS JONES

JOHN DOE [L. S.]
MARY DOE [L. S.]

STATE OF INDIANA
COUNTY OF MARION } *ss*

On this twelfth day of March, in the year one thousand nine hundred and twenty-five, before me, Notary Public, in and for said County, personally appeared John Doe and Mary Doe, to me known to be the same persons described in and who executed the within instrument, who severally acknowledged the same to be their free act and deed.

JOHN E. JONES,
Notary Public, Marion Co., Indiana.
My commission expires December 30, 1926.

(NOTARIAL SEAL)

REAL ESTATE MORTGAGE

(Power of Sale Clause)

THIS MORTGAGE, made the twelfth day of March, in the year one thousand nine hundred and twenty-five.

Witnesseth, that John Doe and Mary Doe, his wife, Mortgagors, mortgage and warrant to Richard Roe, Mortgagee, his heirs and assigns, the parcel of land situated in the city of Indianapolis, in the Country of Marion and State of Indiana, and described as follows, to wit:

Lot four hundred sixty-two (462) of block two (2) of the sub-division of the north part of lots one (1), two (2) and three (3) of the Jones' Sub-division of the Wilson Farm, according to the recorded plat thereof, Marion County Records.

Together with the hereditaments and appurtenances thereof, to secure the payment of the principal sum of One Thousand ($1,000.00) Dollars, and interest thereon from date at the rate of six per cent, per annum, payable semi-annually, until the full payment of said principal sum, according to the

terms of a promissory note bearing even date herewith, executed by John Doe and Mary Doe, to said Mortgagee.

And it is Hereby Expressly Agreed, by and between the parties hereto, as a part hereof:

1st. That said Mortgagors, within thirty days from the time the same become due and payable, will pay all taxes and assessments which shall be levied or placed upon the said land.

2nd. That said Mortgagors will, while the mortgage debt remains unpaid, keep all buildings upon the mortgaged premises insured against loss and damage by fire, by insurers, and in amount approved by the Mortgagee, with the insurance money, in case of loss, made payable in the policy thereof to the Mortgagee or his assigns as his mortgage interest may appear, and deliver, as issued, to the Mortgagee to be kept by him all policies of such insurance, and pay, on their issue, the premium for same.

3d. That if the Mortgagors make default in the payment of any of the aforesaid taxes, or assessments, or premiums as above covenanted and agreed, said Mortgagee, or holder of the mortgage may pay the same, and that the sum or sums so paid shall from the time of their payment, be due and payable hereon as part of the mortgage debt, with interest.

4th. That should default be made in the payment of the principal, or of any instalment of interest when the same becomes due and payable or of any taxes or assessments when the same are payable, as above provided and should the same or any part thereof remain unpaid for a period of thirty days, then, and from thenceforth, the aforesaid principal sum, with all arrearages of interest, shall at the option of said Mortgagee, his legal representatives, or assigns, become and be payable therefrom and thereafter.

5th. That upon default being made in the payment of principal or interest hereon or of any part thereof, at the time the same becomes due and payable according to the terms hereof, the said Mortgagee, his legal representatives and assigns, are hereby authorized and empowered to grant, bargain and sell, release and convey the said premises, property and appurtenances at public vendue and to execute and deliver to the purchaser or purchasers at such sale good and sufficient deeds of conveyance in law, pursuant to the statutes in such case made and provided, rendering any surplus moneys, after payment of the moneys due hereon, the attorney fee provided by law, and the costs and charges of such vendue and sale, to the said Mortgagors, their heirs, legal representatives or assigns.

In Witness Whereof, the said Mortgagors have hereunto set their hands and seals the day and year first above written.

MARY DOE [L. S.]
JOHN DOE [L. S.]

Signed, sealed and delivered in
presence of
JAMES D. SIMPSON
S. ROSS JONES

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Handle Notices of receiving of goods - Louise Lutz

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